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SOCIAL JUSTICE

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U. S. Studies Effect of Machines on Jobs

Labor Party To Get Test In New York

Congressional Candidates In New Deal's Revenge Battle of 1938 Also Part of Strategy

By Staff Correspondent of SOCIAL JUSTICE

WASHINGTON, D. C.—John L. Lewis, self-styled "liberator of labor," is expected to fire the first gun on his projected "third party" farm - labor movement in the New York city mayoralty election.

Secret negotiations are reported to have been made whereby Mayor Fiorello La-Guardia will disavow major party affiliations and, instead, will become the first "test" candidate of the new political organization.

Lewis also will enter candidates in the 1938 congressional elections to oppose incumbent senators and representatives who went on record against President Roosevelt's plan to enlarge the Supreme Court.

Build Machine For 1940 Election

These two developments bear out the prediction, made originally and exclusively in SOCIAL JUSTICE, that a political machine backed by the labor leader would spring into action next year preparatory to the sponsorship of a national presidential ticket in 1940.

The new party will undoubtedly be a coalition of the Committee for Industrial Organization, which Lewis heads, "New Deal" Democrats and radical minority groups in the farm and labor movements.

Seek to Lure Dissatisfied Farmer

The plan is to weld a strong united front against the threatened political alignment of anti-New Deal Democrats with liberal Republicans and independents.

Nucleus of the Lewis movement will be Labor's Non-Partisan League, which the C.

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Plan Workers' March on Washington

—Acme News Picture

Under agitation of the radical Workers' Alliance, a "march on Washington" is set for August 23. Meanwhile every abuse of modern capitalism continues to create discontent out of which the reds can recruit their marchers: 95 per cent of the nation's money is a debt drawing interest for the profit of its private creators, who absolutely control the amount in circulation; with 11-million unemployed and families breadless, farmers had to use their wives and children for lack of help to thresh the biggest wheat crop in years; home owners, dispossessed by H.O.L.C. foreclosures, are living in tents and shacks at the gates of cities; wage earners able to pay rent are evicted as landlords lose the homes to trust companies, or their premises are torn down in an untimely wave of "city beautification." More than 10-million are inadequately housed, as carpenters by the thousands look for work—want in the midst of plenty! Yesterday, today, and—?

A True Short Story . . . .

Case Number Ten Million and One

Faced with a housing problem beyond their ability to meet, a family of six has been living for three weeks in a building condemned by the city of Ferndale, Michigan, as unfit for human habitation, despite their own efforts to rent a suitable home and a petition of 16 residents in the neighborhood asking that they be ousted.

Known only as the "case of the family at 542 Ardmore" in open Ferndale commission meetings, their plight has become a source of great concern to public officials.

The family, Mr. and Mrs. Barton L. Huested and their four children, Billy, age three weeks, Mildred, one year old, Henrietta, age 11, and Bessie, age 12, lives in a house originally intended to be a temporary dwelling, that has deteriorated to the point of condemnation.

They were forced into their present situation by a series of adversities seldom encountered in the short space of six months. They had been renting a home on Oakridge avenue, but were forced to move when their landlord lost his house to a trust company which immediately put the house up for sale and notified the Huesteds to move.

During the 30-day term of the notice, baby Mildred, who was born with a tumor of the stomach and has had five operations in her short span of life, became ill. First she had a painful abscess of the inner ear, which a doctor lanced. Then she developed double pneumonia which necessitated placing her in an oxygen tent.

Bessie complained of a sore throat and the doctor found a streptococcic infection. Her father was warned at the same time to have his tonsils removed.

In the meantime, Mildred, who had recovered from pneumonia and returned from the hospital, was noticed to be having temperatures of 103 to 104. Taken to the hospital, she was operated on for double mastoids. Her father was forced to give her a blood transfusion because of her weakened condition.

Enlisting the aid of the Family Service Association in Royal Oak and real estate agents, the Huesteds had been scouring southern

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Ease Life for Rich at Cost Of Workers

Application of Social Justice Only Hope In Future, Report Of Scientists Discloses

By the Labor Editor of SOCIAL JUSTICE

WASHINGTON, D. C.—The crying need for the adoption of the 16 Principles of Social Justice by government and industry was never better illustrated than in the "Machine Age" report recently made to President Roosevelt by a group of scientists and sociologists working under the sponsorship of the National Resources Committee.

The group, headed by Dr. William F. Ogburn of the University of Chicago, has opened up a fresh avenue of light and understanding to the problems of accelerated production and under - employment that Father Coughlin first foresaw more than a decade ago and began to drive into the consciousness of the American public.

Study Effects On Employment

Dr. Ogburn and his associates have made a frank and startling appraisal of the social implications that may be expected from the many new inventions and mechanical developments that loom on the industrial horizon.

The most startling single conclusion growing out of the study was the prospect of more and more men being rendered jobless by machines. The future development of an agricultural machinee, for instance, might conceivably throw as many as 5 million persons out of employment.

A million more may be driven from their jobs when the photoelectric cell becomes a practical device in mass industry.

More than anything else, the report is an eloquent brief for the immediate institution of Father Coughlin's principles if our American civilization is to survive the

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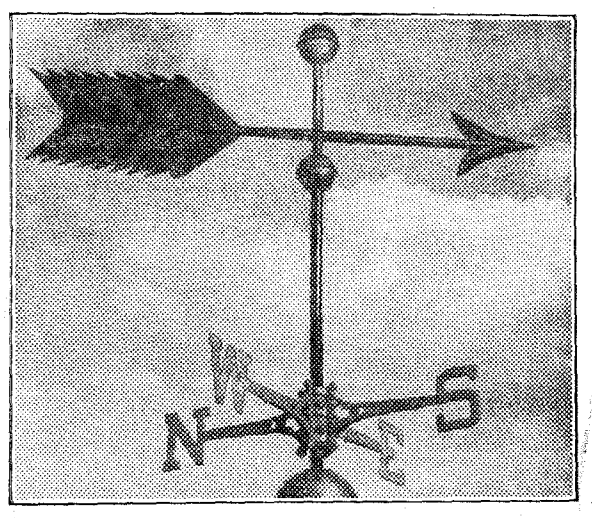

THE INDICATOR

The Nation's Money---What Has Happened to It

"Whose Image and Inscription Is This?"

THE eminent economist and brilliant priest, Father F. H. Drinkwater of England, contributes this week's INDICATOR. It is entitled, "The Nation's Money — What Has Happened to It?"

Our sermon today is going to be all about Money. I'm not going to ask you for any, not this afternoon. I am going to ask you to think about Money, and where it comes from, and what it is for and whether it can be made an instrument of the Will of God.

* * *

There are some good people, some Catholics included, who are full of talk about social reform and social justice and the Pope's encyclicals, but as soon as you begin to talk about Money and the Money-Power they begin to get nervous and want to change the subject. "Money-reform doesn't go to the roots," they will tell you—"Money is not important fundamentally."

They don't want to talk about it because they don't want to make trouble for themselves. They know it's more or less a forbidden subject in this country. They know that questions asked in Parliament about the Bank of England's policy will not be answered. They know that no daily paper dares to print any real truth about the Money-system, and that if any other sort of journal does it will have to suffer for it. They know in fact that the Money-Power is the real power in this country and can make its displeasure felt just as surely if not as openly as the dictators can in other countries.

* * *

If money is really unimportant, it is rather a strange thing that our divine Lord speaks of it so much. He speaks of it, I should think, almost more than anything else. Almost as much as He speaks of eating and drinking. These things are always coming into His parables and His sayings, just because they are fundamental and because everybody is interested in them.

* * *

Our Lord Jesus Christ is a realist. The religion He taught is not the kind that goes soaring off into some remote, cloudy, mystical aspirations. No, it's a religion which brings God right down to earth, and is altogether concerned with the everyday life of men.

* * *

And in everyday life there's no getting away from Money. It is one of those two or three great battle-grounds where God wins or loses His Kingdom; and if it isn't brought under the empire of God, then it is bound to become the instrument of the basest passion of the human heart — the first, after Pride, of the seven deadly Sins.

* * *

I'm not going to try in this sermon to make clear to all of you the nature of Money, and of that special kind of money called Credit, or Bank-Credit. Everybody ought to try and understand these things nowadays; and probably if you're not familiar with them the first thing you need to understand is about cheques, and what happens to them, and what banks can do by means of the cheque-system. Nearly all business transactions of any size in this country are done by cheque, and a great many of those cheques represent not legal cash but overdrafts granted by the banks to industry; the banks issue as much of it as they think fit, and that imaginary money is our real money; the notes and coins are only used as small change so to speak.

* * *

ONLY in a very primitive condition of society can people manage without money. As soon as human life begins to be organized and civilization advances, money of some kind has to come into use. On the material side of life, it makes everything possible, and nothing is possible without it. It is the "economic life-blood" (remember that description of money, even if you don't remember anything else), "the economic life-blood of the Community." In your body it is the blood-stream that carries nourishment and strength to every part of the body. It is the money-stream which does the same thing in the economic body of the nation.

Now here's a most important consequence of that: **whoever controls that money-stream, whoever can set it flowing this way or that way, thereby has control of the whole life and activities of the nation.** Set it flowing one way, in a nation with resources like ours, and you can have the biggest Navy and the biggest Air-Force in the world, at least until somebody else goes one better. Set it flowing another way and you can have a million of new houses; still another way and you can have three or four super-cinemas in every street if you want them; and yet another way and you could reclaim millions of acres of land, create tens of thousands of farms with new farm-houses for your ex-soldiers, and make whole new towns spring up like magic, as Mussolini has done in Italy.

* * *

And that is why, by the very law of nature and of God Himself, the control of that money-stream ought to be absolutely in the hands of the supreme ruler of the state. It is a prerogative of sovereignity. In this country it is for the King, and nobody else, to put money into circulation; and that is why his image and superscription is stamped on each coin. If anybody else begins manufacturing half-crowns and putting them into circulation, he'll find himself in prison, even if his half-crowns have just as much silver in them as the real ones. They're not genuine, not issued by proper authority. Money is the nation's life-blood, far too vital a matter to be controlled by anybody but the sovereign state.

* * *

Sometimes I get letters from people, total strangers I mean, expressing their utter amazement that any priest can have the self-assurance to say this and that about the money-system. How can a priest possibly know what he is talking about on such subjects? How ridiculous to think he can venture to contradict men who have spent all their life among the intricate mysteries of finance!

* * *

Well, of course I'm quite ready to admit that business men and bankers know more than I do about their own litle corner of the money-system, and that City councillors and great public servants are far more familiar with all the details of public finance than any priest could ever be. But I am also quite sure that when it comes to the social purpose, the community-function of Money, and how it is the life-blood of the whole community, a state-service which ought to work for the common good: on that side of the subject those experienced financiers and statesmen are most of them as ignorant as a babe unborn. They're engaged in working a complicated machine, and they understand the working of it (or their own part of it anyhow) in every little detail; but as for what the machine itself is for, they have no idea at all, or if they have an idea, you can be almost certain it's a wrong one.

* * *

What has happened then to this all-important life-blood of the community? What has become of that unique prerogative of sovereignity, that vital function and duty of the state—the power of issuing money?

The answer is, **that it has fallen into private hands!**

* * *

IT WOULD take too long this afternoon to explain how the bankers, especially in this country, during the last 20 years, got control of the nation's Money-stream at its very source. Gold played a considerable part in the story — gold and bluff and paper I. O. Us. Everybody ought to know the story of it—it's far more important to our daily lives than most of the other history they teach us in schools. But all I can do now is to tell you what has been the result, the facts as they are today; and I'm not asking you to take them on faith from me, because nobody tries to deny them—what they try to do is keep them in the background and never let them be mentioned.

* * *

Where does it come from, then, our economic life-blood, the money that is current in this country? Isn't it originated by the Government?

No, it is originated by the bankers. I don't mean merely the ordinary banks that you see along the road, or merely their London headquarters even; but in London there are many kinds of bankers, some that most of us have never heard of, doing various kinds of business, but all of them in one way or another in the money lending line. And the great link that holds them all together, partly controlling them all, and partly being controlled by them, **is a private company which they formed amongst themselves, and which is called the Bank of England.** It is these bankers, taking them as a whole group or system, who originate our money.

* * *

How do they let us have it, then? Well, they let us have it as a debt. It begins to exist when they lend it to us and we begin paying interest on it. They lend it to the Government, and the Government's debt is over £8,000-million. They lend it to the cities and towns, and these municipal debts are over £1,300 million. They lend it to private industry, at least when they feel sure of getting interest on it, and these industrial debts, too, would run into thousands of millions if they could be reckoned up.

* * *

What is the consequence of that? The consequence is that the nation as a whole has hanging around its neck, like a mill-stone, an enormous dead-weight of unnecessary intrest — hundreds and hundreds of millions a year that could be going to pay living wages all around, or to make savings to be invested—could be put back into the business of the nation, so to speak—but all being paid instead as a perpetual tribute to the originators of the money.

* * *

Once in our lifetime the government has done what it always ought to do—it originated some money for itself. That was when the Great war began — £300-million of Treasury notes were issued. Those £300-million were real King's money, not borrowed from anybody. But there was no more of that allowed.

* * *

Before the war ended we were spending £7-million a day, and nearly all that was being originated by the bankers as a debt owing to themselves, on which they collected interest, and have collected it more or less ever since.

* * *

What are the consequences of the government having to borrow its money? The first consequence is that it is always short of money, because before it spends a single penny it has to set aside three hundred millions a year for loan charges—that is, for interest.

* * *

And the second consequence is that even when the government does want to spend money, it won't be allowed to have it to spend except for objects which the bankers approve. As we see now, there's unlimited money to be had for rearmament. There's plenty of money to be had for things like the Coronation, plenty for luxury liners, or other fancy schemes. For land-settlement? Nothing. For the distressed areas? Nothing. Nothing worth mentioning, because there's no interest to be seen from these things.

* * *

You must remember too that banks control the "economic life-blood" not only of the government itself but of all private industry and enterprise too. The money-stream flows where they want it to flow. It is they who settle what is to be produced and who is to produce it.

This is one of seven sermons preached by Father Drinkwater. The entire seven can be purchased in book form from Burns, Oates and Washbourne, 43 Newgate Street E.C. 1, London, England.

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Message to Councils

This Is the Period of Formation

In organizing Social Justice Councils it is imperative to note that from now until a time to be defined in the future we are in the period of formation.

That statement limits our present activities. It excludes any activity along any other line than formation until each Social Justice Council will be organized to the satisfaction of the National Co-ordinator and to Father Coughlin.

In organizing Social Justice Councils, what shall be our objective? The objective is none other than the uplifting of the downtrodden, the exploited and the insecure fellow citizens who surround us.

In a more concrete manner, what does this objective imply? To uplift the downtrodden citizens implies that we must raise their ideals to the level of Christ's ideals. It further implies that we must instruct them in the essential doctrine that they are not mere chattels, mere individuals, but that they are brothers of Jesus Christ and members of the mystical body of Christ.

God's Word Promised Plenty

A further implication is also in mind. This is a land of plenty. There is an abundance of acreage, a plentitude of tilled fields, thousands of factories, millions of skilled laborers, and hundreds of fine engineers, scientists and executives. No place in all the world or in any era of the world's existence had such abundance as has our America.

Why, then, should it be necessary for us to worry over what we eat, what we wear, and where we will be housed?

In the New Testament our Divine Teacher told us that we should not worry over what we eat, what we wear, or how we will be housed. He did not imply that these things were insignificant or unimportant. He meant that God, the Father, would supply us with an abundance so great that there would be no need to worry. He even told us to behold the lilies of the field. They neither spin, nor do they work. Yet, Solomon, in all his glory, was never clothed as one of these. He warned us that there was only one thing worthwhile worrying about, and that one thing was our eternal salvation.

Now, if it is not necessary for lilies of the field to worry over how they shall be clothed, why should man worry over this, who is dearer and closer to God than all the flowers?

Christians have forgotten this teaching or, at least have been too timid in applying it to their every day lives.

Want Becomes Our Problem

It is the business of Social Justice Councils to insist that Christ was practical when He taught this doctrine, and to point out, not only how un-Christian men have forced us to worry in the midst of plenty but how we can remove the causes which have brought about exploitation and erect a social system of conduct which will enable every man to have a living annual wage and a just share of the products of this nation.

Those who are unfortunate enough to be maimed or crippled will be our common care.

In this period of formation we must comprehend the basic thought behind Social Justice Councils, which is none other than the mystical body of Jesus Christ. All of us are members of that body. Some of us are the more humble members. Others of us may be considered more important members. But the Head of that body is Jesus Christ. The soul animating that entire body is the spirit of truth, the Holy Ghost.

Need I remind you, in this period of formation, that not one of us is permitted to entertain political ambitions, or to labor under the delusion that social justice can be brought about by our endorsing politicians for office or by our supporting parties for government.

A Christian Movement

Who can establish a Social Justice Council? Any clear-minded Christian who recognizes that social justice can be brought about with God's assistance. He is still more powerful than all the politicians put together.

How many individuals should belong to a Social Justice Council? Ten, or twelve, or a hundred sincere Christians can organize. You who are doing this organizing must be responsible for the quality of the persons whom you invite to associate in this movement.

When will your Social Justice Council be recognized? The National Co-ordinator who will be appointed by Father Coughlin, will recognize the existence of your Council.

How many officers should you have in your Social Justice Council? No officers are to be elected permanently. In the festivals, rummage sales, parties and excursions which you operate to raise funds, which, later on, will be required to sustain your activities, you will appoint, temporarily, three reliable individuals to hold the purse.

Newspaper Is Official Source

Meanwhile, since knowledge is of paramount importance in order to be an effective member of Social Justice Councils, it is likewise important that you read the SOCIAL JUSTICE newspaper, in the pages of which the doctrines of social justice will be explained.

Elsewhere, on this page, there is printed an opening prayer which you will use at all your meetings. Last week a prayer to the Holy Ghost was printed in SOCIAL JUSTICE, which should be used in concluding all your meetings.

If you have need of a hundred, or 500, of these prayers, please write to Father Coughlin directly and he will be glad to send you as many as you require.

Again, it is repeated that this is the period of formation. At an opportune time you will be called to action. A definite action will be suggested for your city, your county and your state.

Meanwhile, **prepare for that day.**

Official Opening Prayer for Councils

Father of all, we beseech Thee to preserve us.

Spirit of Truth, we implore Thee to fill our souls with wisdom, understanding, counsel, fortitude, knowledge, piety and fear of God.

Jesus Christ, our Savior, our Brother, help us to recognize our own individual unimportance and to understand clearly the needs of our less fortunate fellow men who likewise belong to the Mystical body of which Thou art the Head.

Holy Trinity, bless us in our endeavor to feed the poor, to clothe the naked, to shelter the homeless, as we operate and live with the knowledge that whatsoever we do to the least of Christ's little ones, we do unto Him.

We ask the blessing of the Father, Son and Holy Ghost upon this meeting. May we, as Christians, see the light, learn the truth, and walk the humble way of our Lord and Savior, Jesus Christ. Amen.

Case of Evicted Tenant One of the 10 Million

(Continued from Page 1)

Oakland county for a new home, in spite of illness. Their search, however, was unsuccessful and the trust company warned that they would be evicted unless they moved immediately. Both the 30-day notice and the seven-day extension required by law had expired.

The day set for eviction was also the day scheduled for Mildred's return home from the hospital.

Frantic because of the combination of circumstances, Mrs. Huested explains they seized upon the only solution they found to their problem. They moved into a deserted house they found at 542 Ardmore drive on Saturday, July 3. On Sunday, Mildred was brought home from the hospital. On the following Wednesday a son was born to Mrs. Huested.

Unknown to the Huesteds, the house they chose had been a nuisance to the neighborhood for some time. Another family had shortly before been evicted because the building had deteriorated to the point where it was no longer safe from the standpoint of health and fire protection.

Property owners in the vicinity, many of whom have struggled to maintain property values and the appearance of their neighborhood, drafted a petition asking the city commission to remove the family.

Mrs. Huested explained that she knew the dwelling was an "eyesore" and that she would move as soon as possible.

Her husband is employed and they are willing to pay rent. But, she pointed out, they have "searched everywhere" without success. She stated that she would buy the condemned house and repair it but she was told it would be impossible to bring it up to building standards.

—From Royal Oak Tribune.

Law Bars President's Vacation Appointment to U.S. Supreme Court

Constitution Specifies Interim Selection Only For Vacancy During Congress Recess

On Thursday, July 27, the President of the United States astounded the nation by indicating, in a press interview, that it was his "curbstone opinion" that a recess appointment to the Supreme Court would be as valid as a recess appointment to an administrative position. The President then asked the attorney general for an opinion on the subject.

Article II, Section 2, Clause 3 of the Constitution of the United States reads as follows:

> "The president shall have power to fill up all vacancies that may happen during the recess of the Senate by granting commissions, which shall expire at the end of their next session."

Article II, Section 2, Clause 2 of the Constitution, of course, is the authority for the appointment of Supreme Court justices. We quote it for the information of our readers:

> "He," the president, "shall have power by and with the advice and consent of the Senate to make treaties, provided two-thirds, of the Senators present concur; and he shall nominate and by and with the advice and consent of the Senate shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States whose appointments are not herein otherwise provided for, and which shall be established by law; . . ."

Language Is Plain On People's Will

The Constitution is not a lawyer's document. It is the people's law. The people's delegates framed it and the people themselves ratified it. It differs from all other laws in the sense that it is the people's law.

Its meaning is clear and with respect to the appointment of a justice to fill the vacancy in the Supreme Court, the president nominates and the Senate advises and consents to this nomination before the appointment is made.

Now if the Senate is not in session when a vacancy occurs the president, under the Constitution, has power to fill up that vacancy by granting a commission, which shall expire at the end of the next session.

But no vacancy has occurred during the recess of the Senate, consequently there is no authority under the Constitution for the president to wait until a recess occurs and then make a so-called interim appointment.

In other words, it is not recess of the Senate that gives the freedom to the president to make an appointment without the advice and consent of the Senate.

It is a vacancy **occuring while the Senate is in recess** which gives to the president the power to make the so-called interim appointment.

Vacancy Occurred During Session

Vandevanter resigned as Associate Justice of the Supreme Court while the Senate of the United States was in session. The President of the United States does not have to make an appointment while the present session of Congress lasts. But when the Senate recesses certainly there is no power of the president to make an appointment until Congress is again in session.

If, for example, another Justice of the Supreme Court resigned after the adjournment of Congress, then the president of the United States would have full constitutional authority to fill that vacancy with an interim appointment, the duration of which would extend until the next session of Congress.

Concerning the present vacancy the "curbstone opinion" and the request to the attorney general for a ruling indicate the same old disregard for the judicial branch of the federal government which was evidenced with respect to the passage of the Guffey Coal Bill—"Do not let your constitutional doubts, however reasonable," interfere with the passage of this bill.

Labor Party Forms Lines in New York

Continued from Page 1)

I. O. chieftain now controls as its chairman.

According to present plans, LaGuardia will seek re-election as the candidate of the so - called American Labor party, Communistic affiliate of the league.

Looking to 1940, Lewis is busy organizing sharecroppers and agricultural workers in the South and the Southwest with the help of Communist agitators.

Whatever "farm" support he gets will have to come from this element because the rank and file of farmers in the country are overwhelmingly opposed to his policies.

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SOCIAL JUSTICE

FATHER COUGHLIN'S WEEKLY REVIEW

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PRINCIPLES OF SOCIAL JUSTICE

1. **Liberty of conscience and education.**
2. **Just, living, annual wage.**
3. **Nationalization of important public resources.**
4. **Private ownership of all other property.**
5. **Control of private property for public good.**
6. **Abolition of Federal Reserve Banking System and establishment of a government-owned Central Bank.**
7. **Restoration to Congress of its sole right to coin and regulate the value of money.**
8. **Maintain cost of living on an even keel.**
9. **Cost of production plus a fair profit for the farmer.**
10. **Labor's right to organize.**
11. **Recall of non-productive bonds.**
12. **Abolition of tax-exempt bonds.**
13. **Broadened base of taxation on basis of ownership and capacity to pay.**
14. **Simplification of government and lower taxes.**
15. **Conscription of wealth as well as men in event of war.**
16. **Sanctity of human rights preferred to sanctity of property; with government's chief concern for the poor.**

New Deal Fails in Court Crisis

IN EVERY period of human history, national crises have produced new national leaders. Lenin, Trotsky and Stalin appeared with the collapse of the czaristic regime. Mussolini took the helm as Italy faced post-war catastrophe. Hitler ruled Germany as Communism threatened that Teutonic state.

Today, in the United States, a constitutional crisis has been faced. The attempt of a chief executive to render impotent the great judicial arm of the government was met by a revolt, the consequences of which will dictate the future political history for at least a generation.

Senators Wheeler, McCarran, O'Mahoney, Burke and Bailey rose to new power in their defense of constitutional government.

Then came the death of Joe Robinson and the necessity of choosing a majority Senate leader. The President of the United States did not hesitate to make his selection for that high legislative office. The President's nominee became Alben Barkley of Kentucky, while Pat Harrison of Mississippi became the opposition candidate. Roosevelt won in the closest vote that could be recorded, namely 38-37.

In this one-point victory the President endured a most crushing defeat. The verdict means that 37 Democratic Senators openly opposed the choice of the President. These 37 were really voting not for a majority leader, but they were voting on the court issue, with Barkley of Kentucky second to Robinson in leading the court fight and Harrison lined up with the opposition on the packing process.

In other words, the United States Senate divided itself into the pro and anti Roosevelt forces.

Roosevelt's real strength today is 38 Senators. The 37 opposition Democrats, united with the 20 Republicans, is the anti-Roosevelt, anti-New Deal sentiment of the Senate of the United States.

An independent legislative body may be re-established. "New Deal" legislation will now be scrutinized as it comes from the White House.

Once more the Senate, as originally constituted—namely, a deliberative assembly—will pass, wisely or unwisely, on the legislative program set before it.

Sacred to the People

THERE is already evidence that the administration, as a last resort, may eventually turn to the people to decide the defeated but still vital court issue.

A cabinet member has declared himself as favoring a constitutional amendment aimed at "reforming" the Supreme Court and the inferior federal courts.

That, as the complex situation now stands, would place the people in a most perplexing situation.

While they would be expressing their sovereign right to alter the fundamental law, they would in effect, also be sustaining the will of a man who tried to circumvent their sovereign right and **who declared that going to the people with this constitutional issue was a process too slow for his pleasure.**

It will be interesting to see if the administration will thus risk the complete repudiation of the great mandate of 1936.

The Constitution is sacred to the people—and in matters pertaining to the alteration of the very foundation of our government, **the people should not be a last resort.**

A Docile Leader

MUCH has been said and written to color the election of Senator Alben W. Barkley as Senate leader of the Democratic party, as a victory for the administration.

No one who has watched Senator Barkley closely however, entertains that view of his election.

Not that he should be censured for it, but he is not a leader in the commonly accepted meaning of that term.

He does not possess the dominating powers of the late Senator Robinson. He is easily bewildered in the clash of heated debate. His greatest asset is a gift for blustering indignation whenever the cause for which he is fighting is called in question.

On the other hand, throughout the tense years since the New Deal descended upon the nation, he has been outstanding in only one virtue—his docility to the New Deal.

In the long course of wise and unwise legislation, which has flowed through the mill, impelled by the "must" mandate from the White House, Barkley has disagreed with the President on only one occasion. He voted to over-ride the presidential veto of the Soldiers' Bonus bill. On that occasion he was bolstered by the realization that he was on the popular side.

Perhaps of all the varying political types in the present or past Congresses, Barkley should be chosen as the perfect embodiment of the rubber stamp.

Joe Robinson was a dynamic, colorful leader, with a gift for harmonizing men's opinions. Barkley at the best, is a docile and faithful servant.

The administration, in spite of its victory by the slim margin of one vacillating vote, suffered a grave loss which can only be measured by the wide difference between the qualities for leadership of the former and the present "leaders."

That Barkley does not even intend to be a Senate leader in the highest and best sense of the term, is indicated by the very first comment he made upon his election. He said:

"**My policy is to be representative of the adminisitration** as well as of the Senate in working out, to the best of my ability, the problems that face the Congress and the country."

No wonder the President wrote his "Dear Alben" letter, thereby directly influencing the election of the Senate leader!

He knew that the independence of many Democratic Senators, who are more loyal to the nation than to the New Deal party, could be offset by a leader willing to be "representative of the administration."

The Senate is to be led by a self-declared "rubber stamp."

A Line On Legislation

SUBJECT: The Black-Connery "Wages and Hours" bill.

STATUS: May become law in revised form at this session of Congress after a bitter fight. Has passed Senate.

AUTHORS: Professors Corcoran and Cohen, the White House "brain trust" team.

SUPPORT: The bill has the backing of the Committee for Industrial Organization. The American Federation of Labor so far has withheld its endorsement, fearing the measure may be administered by a dictatorial board controlled by John L. Lewis.

ANALYSIS: The principle objective of the bill is the regulation of wages and work conditions in the manufacture of products moving in interstate commerce. Under present plans a minimum wage of 40 cents an hour and a maximum work week of 40 hours would be established by law in affected industries.

The measure ignores the most pressing need of American labor in this high-speed machine age — **a guaranteed living annual wage.**

It is predicated on the false assumption that the government can institute industrial and social reforms without first reforming our unjust money system.

The bill, if enacted into law, would do nothing more than insure a W. P. A. wage of $16 a week.

But even if it guaranteed a higher wage, this legislation would still be ineffective—because the unscrupulous bankers who control the money system would juggle the value of the dollar and, on payday, the exploited worker would find that he could buy no more for his week's earnings than before.

* * *

Let the government restore to Congress the exercise of its lawful right to coin our money and regulate its value. Let a commodity dollar of unvarying purchasing power be established. Then proceed to secure higher wages and better working conditions in the industries engaged in interstate commerce. That is the way, the only way, to get justice for the working man.

* * *

The bill, like the N. R. A., would further concentrate the corporate wealth of the nation into the hands of a few powerful industrialists. Many small industries, unable to meet the stringent requirements, would be driven to the wall. They would be absorbed by the big ones and the greatest age of monopoly this country has ever seen would be upon us.

* * *

Employment would be reduced. The bill would place such a premium on high-speed mechanization that the need for manual labor would be lessened.

* * *

Concentration of wealth, monopoly of trade and unemployment would result inevitably in revolution—throwing the nation into Fascism or Communism. We wonder if this could be the motive of the drafters of the bill!

* * *

In writing this bill, Profs. Corcoran and Cohen forgot to set forth some policy governing foreign commerce. There is no protection for our export trade, nor is there adequate provision for the safeguarding of American labor against cheap foreign labor.

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Can Christians Support the C.I.O.?

Part II of an Open Letter To Ecclesiastics

YOUR Excellencies, Right Reverend and Reverend Confreres:

Kindly bear with me as, objectively, I present incontrovertible facts from which you will be enabled to draw your own conclusions in answering the question which captions this open letter.

Last week's contribution ended, practically, with a long quotation from the highest authority of the C.I.O. movement, Mr. John L. Lewis.

As far back as 1924, Mr. Lewis asserted that the Moscow contribution of $1,110,000, to enable Communist agents to participate in strikes, had behind it a scheme to overthrow the leadership of the United Mine Workers and then produce and convert a general strike into an armed insurrection against the government of United States. He concludes this statement with these words: "Three times in three years the Bolshevik leaders at Moscow had attempted armed insurrection and revolution in the United States."

Among these Moscow agents (they need not be Communists) Mr. John L. Lewis specifically and nominally mentions John Brophy, William Weinstone, Roger Baldwin, William Dunne and Powers Hapgood.

It is ludicrous, therefore, on the part of some of our informed periodicals and speakers, all other things to the contrary, to go so far in their support of the present C.I.O. movement as to deny the previous activities of John Brophy who now, in many Christian quarters, is being lauded to the highest heavens. **In foro interno,** John Brophy may be very saintly. **In foro externo** his previous and present labor associations and methods are not so praiseworthy.

May I recollect for you that as far back as August 7, 1920, the Communist International established a trade union section to carry on world-wide turmoil in the labor ranks of every country. In this connection, the Communist Congress stated that their program included (1) the confiscation of property, (2) **the annihilation of the entire bourgeois government apparatus, including our Congress, the Supreme Court and the military,** (3) a decisive and final struggle against all the forces of capitalism, (4) a stubborn and merciless denunciation of any leader in any labor movement who may be manifesting reformist or center trends."

This same Communist Congress of 1920 advocated (1) the establishment of secret factory committees within American factories for the purpose of organizing spontaneous strikes within industries, and (2) the establishment of an **industrial union plan within all basic industries.**

These facts you would be innocent of unless you had read and studied the Communist International Congress of 1920. These facts indicate the real origin of the industrial union plan. For 14 years at least this seed has been germinating. It did not bear fruit in any abundance until the last two years.

This same Communist International Congress of 1920 aimed at acquiring for industrial unions the "full recognition as sole bargaining agencies and complete control over plant production." Class warfare, not class cooperation, was launched as a basic doctrine. The Congress said: "the mass struggle means a whole system of developing demonstrations, growing more acute in form and logically leading to an uprising against the capitalistic order of government."

The Sixth World Congress of the Communist International urged that "the misery and oppression of the masses must be intensified to an extraordinary degree."

Admittedly, the above quotations and statements do not reflect directly upon the C. I. O. Nevertheless, they help to establish a more definite background from which I am emerging as we proceed into the actual field of our question.

In 1934 the Communist pamphlet entitled, "Problems of Strike Strategy," stated: "the problem of building a mass Communist Party in the United States is largely a question of correct strike strategy. **With this is bound up the possibility of destroying the reformist illusions of the A. F. of L.**

Again, these same radicals stated: "We are in favor of combining workers of every industry **into large unions, as against the A. F. of L. craft unions** . . . We are in favor of vigorous and militant strike struggles . . . We are in favor of calling sympathetic strikes . . . We are in favor of the revolutionary way out."

You are supplied with sufficient current information which will enable you to recognize that these tactics, previously advocated by Moscow, are now factualized. Witness the Saginaw Valley strike, the capture of Lansing, Michigan, and the thousands of sympathetic strikes now in vogue. Witness the existence of the C. I. O.

IT IS interesting to note that as early as July 10, 1933, the agents of Moscow had high hopes of capturing and using the auto industry. In an "Open Letter to All Members of the Communist Party," issued by the Central Committee, they claimed that the success of the (Communist) party and of the Automobile Workers' Union in Detroit shows what can be accomplished by the party and the revolutionary trade unions in other districts." Needless to remark, the UAW is dominated by known radicals named Reuther, Sugar and Adolph Germer, the head organizer of the CIO.

Here is an authentic thumbnail sketch of these men:

Adolph Germer, chief organizer of the C. I. O. is reported by The Labor Digest as being a "nationally known Communist and former enemy of Lewis." Coming to the United States in 1888, he figured prominently in many violent uprisings within labor's ranks. He was active in the Mt. Olive, Ill., general strike among oil workers in 1895 and the bloody coal strikes in Colorado in 1915. He saw a great deal of action in strikes and agitation in Massachusetts. He joined the Socialist party in 1900 and became its national secretary, national organizer and state secretary at various times. In 1923 he became international organizer of the Oil Field, Gas Well and Refiners Workers Union. The New York State Legislative Committee investigating seditious activities in 1920 reported that Germer was connected with Jack London and the Intercollegiate Socialist Society (now the League of Industrial Democracy), a purely revolutionary movement agitating for a Marxian system of government based upon "production for use and not for profit." In 1919 Germer was tried and convicted for violation of the Espionage Act, together with the late Communist leaders, J. Louis Engdahl and Alfred Wagenknecht, and such extreme Socialists as Victor Berger and Eugene Debs. In collaboration with the latter, he wrote several books of an extremely revolutionary nature. He was also one of the early New Dealers, serving on the Regional Compliance Council for the N. R. A.

Victor and Walter Reuther, both prominent C. I. O. leaders are "alleged to have gone to Russia in 1933," according to The Labor Digest. While there they "studied agitation propaganda" through courses given in the Soviet Union. On their return to this country they enrolled in Brookwood Labor College, an extreme left-wing institution where radical labor leaders are schooled. Victor is reported to have been arrested during a riot in Flint, Mich., in January, 1937. While he was out on bond he shoved off to Anderson, Ind., where murderous riots ensued; several were killed and many injured. The Labor Digest reproduces a letter said to have been written by the Reuther brothers while they were in Russia to Melvin Bishop, who is a brother of Merlin D. Bishop, director of education of the auto unit of the C. I. O. In this letter they inquired about the progress of radical movements in the United States, and showed their interest in the trend of the Socialist party, "social problems, clubs," etc. They spoke friendly of the red banners "Workers of the World Unite," which they were seeing in Russia. They wrote **"Mel, you know Wal and I were always strong for the Soviet Union,"** and referred to the latter as "the greatest industrial nation in the world."

Maurice Sugar, C. I. O. attorney in Michigan, according to The Labor Digest, was "convicted of draft evasion in 1917" and "pleaded guilty to an indictment on December 4, 1917, serving one year in the Detroit House of Correction." He "was elected to the Communist affiliated International Labor Defense . . . March 15, 1936." In that same year Sugar was openly supported by Communists for local office in a Detroit election campaign. He is active in Communist circles and is associated with other radical movements in Michigan. His picture was found "in a place of honor alongside those of Stalin, Lenin and Tom Mooney in a raid on what they described as "Communist headquarters in Detroit" several years ago, and on the wall was also found a large placard which read: **"Every Factory a Fortress for Communism."** Sugar is a member of the C. I. O. board of strategy.

> Last week's article, among other things, proved indisputably the following points:
>
> 1. C.I.O. is evolving into a political party. Already it has a political slate set up in Michigan.
>
> 2. C.I.O. leader, Mr. John L. Lewis, is our authority for stating that Moscow sent $1,110,000 to the United States, enabling Communist agents to participate in strikes.
>
> 3. The same Mr. John L. Lewis is our authority who asserts that John Brophy, Powers Hapgood, Sidney Hillman, etc., were betrayers of labor and instruments of the Communist Party.
>
> If any Catholic or religious or diocesan newspaper, or parish priest, can disprove the substantial truth of any of the above charges, SOCIAL JUSTICE will gladly contribute $1,000 to the newspaper or parish priest contributing the proof. All decisions to be settled by an impartial board of referees.

DOZENS of pamphlets and hundreds of speeches all claim that the automobile strike in Detroit was engineered by the Communist Party.

These strikes, according to the 12th Plenum of the Executive Committee of the Communist International, are "mere dress rehearsals for the revolution."

No wonder that the head of the American section of the Communist Party recently said: **"In the United States we have already, in the main, solved the problem of trade union unification."** Evidently he believed that, having taken over the United Mine Workers, they had also captured Mr. John L. Lewis who once opposed these same Communists.

This is authentically corroborated by an official statement written by Mr. Fred Beal, a Communist official. He says: "I was in Moscow when the original decision was made in the matter of abandoning the dual system of trade unions.

"All such important decisions are first made behind closed doors, away from the proletariat. It was in the summer of 1933, and I was called from Kharkoff, where I was doing social and political work among foreign workers and specialists, to attend a meeting of the textile section of the Comintern (International Red Union) in Moscow. The American representatives at this meeting were Foster, Browder, Hathaway, Overguard, Clarence Miller and myself."

Browder, who ran for president of the United States on the Communist Party ticket last November, addressed the meeting on behalf of the American labor drive, Beal relates. He quotes Browder as saying that "the time has come for the Comintern to play an entirely new strategy in American labor and politics. The 'role' of the Communist party

(Continued on page 12)

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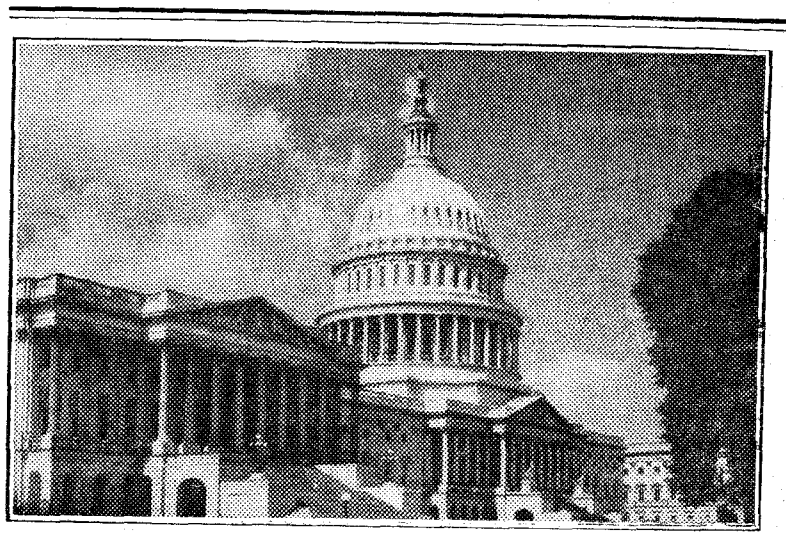

CONGRESSIONAL RECORDINGS

Congressmen Give Reasons for Over-Riding President's Veto

Prevent Farm Tenancy By Helping Owners Now Instead of Foreclosing Kentuckian's Plea

By Hon. John M. Robsion
Representative from Kentucky

The primary purpose of the lower interest farm bill is to lessen the foreclosure and sale of farms. The government is foreclosing and selling farms by the thousands and thousands. Farmers and their families are being deprived of their homes. We are creating more tenant farmers. It is believed by fixing this rate of interest thousands of farmers will be able to make the payments and save their farms.

A short time ago the President urged Congress to pass what is known as the farm-tenancy bill. The House and Senate by an overwhelming vote passed that bill, and it will now go to the president for his approval or veto. The primary purpose of that bill was to make it possible for energetic tenant farmers and sharecroppers to own their own farms. That bill going to the President for his approval as finally passed, provides that the government shall loan to tenants and sharecroppers the money with which to buy farms at 3 per cent interest and 40 years in which to make the payments.

Under that bill not more than one tenant on an average for each county in the United States for this year would have the opportunity to buy a farm with government money and become a farm owner, and in three years' time, with the sum provided in that bill, there could not be more than nine farmers on an average for each county in the United States who could acquire a farm with this government money.

While it is important to create as many farm owners out of farm tenants and sharecroppers as is reasonably possible, we must realize that it is quite as important to do what reasonably can be done to **keep farm owners from becoming farm tenants and sharecroppers.**

Before the end of this fiscal year the government alone will have foreclosed on more than 160,000 farm homes, and it has already foreclosed or is in the act of foreclosing, on a little less than 100,000 urban homes. In other words, under the government's policies **we are making many times more tenant farmers, sharecroppers, and tenants out of farm owners than we are making farm owners out of tenant and sharecrop farmers.**

It is a tragedy when a homeowner in a city or town loses his home, but at the same time he may still keep his job. How much more tragic is it when a farmer's home is sold. He not only loses his home but at the same time he loses the jobs for himself and his family.

There is no reason why the government should lose much, if anything in financing these land-bank and commissioner's loans at 3½ and 4 per cent interest respectively.

Congress has appropriated and turned over to the President approximately $16-billion for recovery and relief since March 4, 1933. Literally billions of dollars of this money have been wasted, and millions of people are in no better condition now than they were on March 4, 1933. William Green, president of the American Federation of Labor, reports there are still 8 million workers out of work.

The bill for lower interest rates is not a boondoggling proposition. It is saving farms and homes and the jobs of these farm owners and their families. This measure will enable these farmers and their families to help themselves, and if this same policy had been pursued along other lines, the people of this nation would be in much better condition and we would not have a national debt $10-billion more than it was at the end of the great World war.

The President has much to say about the Supreme Court invalidating the unconstitutional acts of Congress. In nearly 150 years the Supreme Court has overturned only 67 acts or parts of acts of Congress, while President Roosevelt in a little over four years has by his veto attempted to overturn about 225 acts of Congress. He should heap less abuse on the Supreme Court **or have more consideration for the acts of Congress himself.**

I am unable to see how the President can claim to be a real friend of the downtrodden farmers and veto a meritorious measure such as this which received almost the unanimous support of the House and Senate.

Someone Takes Farmer's Share

By Hon. Arthur H. Vandenberg
Senator from Michigan

Of the consumer's dollar paid for agricultural products in the United States, much less than one-half goes to the producing farmer. In some European countries the producer receives 70 per cent or even more of what the consumer finally has to pay.

This means that after due allowances for transportation and other actual marketing expenses, some intervening interests in this country are taking **more than a fair return for services performed if any.**

Since about 1921 each Secretary of Agriculture, beginning with the father of the present secretary, has, shortly after taking office, issued a statement clearly recognizing this discrepancy of prices and flaws in the marketing procedure. Unfortunately the record is silent as to **whether any Secretary of Agriculture after his early vigorous proposal to investigate an act, has again taken definite steps for a comprehensive solution.**

Asks Fairer Recognition Of Farmers

By Hon. Sam C. Massingale
Representative from Oklahoma

This Congress has been in existence for about 150 years, and we have kept the farmer outside the pale during all that time; now just recently, he has become a kind of hero in Congress. I wonder if it is not due to the fact that we have just recently discovered that we are living in a land of sleeping giants who may suddenly awake and demand recognition of rights denied them for these 150 years.

These folks have been demanding recognition, and we have not given it to them. It seems a somewhat strange freak of fortune that Congress for so long a time has failed to hear the voice of better than 30 million of our population. All big business, all great corporations, and combines of capital have been aided by Congress, and practically all of them have been rehabilitated by use of government money, but **the farmer, while having received some government support, has not had his fair and just recognition.**

This farm tenancy bill does not carry any worth-while recognition of the farmer, nor does it give him any real service. It does recognize that among the 32 million of our population who make their living on the farms, the tenant class is not getting a square deal.

If among the 8 to 10 million farms in the United States there was a home on each of them and the same expression of interest from Congress in behalf of these farm owners as there is in behalf of the banks, the railroads, the life insurance companies, building and loan associations, and other big interests, every person in America would feel the utmost security in our government and in our institutions, and it would be no trouble to restore the tranquillity that ought to be in the faction-torn districts of the country.

THE FARM VOTE

For the first time in Congressional history the Senate and the House united, to over-ride the presidential veto of a farm measure. There follows the Senate vote on the President's veto of the bill to continue reduced interest rates on farm loans.

TO OVER-RIDE VETO: 71

Andrews (Florida)
Austin (Vermont)
Bailey (North Carolina)
Berry (Tennessee)
Bilbo (Mississippi)
Black (Alabama)
Bone (Washington)
Borah (Idaho)
Bridges (New Hampshire)
Brown (New Hampshire)
Bulkley (Ohio)
Bulow (South Dakota)
Byrd (Virginia)
Capper (Kansas)
Caraway (Arkansas)
Clark (Missouri)
Connally (Texas)
Copeland (New York)
Davis (Pennsylvania)
Dieterich (Illinois)
Donahey (Ohio)
Duffy (Wisconsin)
Ellender (Louisiana)
Frazier (North Dakota)
George (Georgia)
Gibson (Vermont)
Gillette (Iowa)
Glass (Virginia)
Hale (Maine)
Harrison (Mississippi)
Herring (Iowa)
Hitchcock (South Dakota)
Holt (West Virginia)
Johnson (Colorado)
Johnson (California)
La Follette (Wisconsin)
Lee (Oklahoma)
Lodge (Massachusetts)
Logan (Kentucky)
Lonergan (Connecticut)
Lundeen (Minnesota)
McAdoo (California)
McCarran (Nevada)
McGill (Kansas)
McKellar (Tennessee)
McNary (Oregon)
Moore (New Jersey)
Murray (Montana)
Neely (West Virginia)
Nye (North Dakota)
Overton (Louisiana)
Pepper (Florida)
Pope (Idaho)
Reynolds (North Carolina)
Russell (Georgia)
Schwartz (Wyoming)
Schwellenbach (Washington)
Sheppard (Texas)
Shipstead (Minnesota)
Smathers (New Jersey)
Smith (North Carolina)
Steiwer (Oregon)
Thomas (Oklahoma)
Thomas (Utah)
Townsend (Delaware)
Truman (Missouri)
Tydings (Maryland)
Van Nuys (Indiana)
Wagner (New York)
Wheeler (Montana)
White (Maine)

TO SUSTAIN VETO: 19

Adams (Colorado)
Ashurst (Arizona)
Barkley (Kentucky)
Brown (Michigan)
Burke (Nebraska)
Byrnes (South Carolina)
Chavez (New Mexico)
Gerry (Rhode Island)
Green (Rhode Island)
Guffy (Pennsylvania)
Hatch (New Mexico)
King (Utah)
Lewis (Illinois)
Maloney (Connecticut)
Minton (Indiana)
O'Mahoney (Wyoming)
Radcliffe (Maryland)
Vandenberg (Michigan)
Walsh (Massachusetts)

Nation's Producers Want Rates Like City Brothers

By Hon. Fred L. Crawford
Representative from Michigan

President Roosevelt again denied farmers low interest rates by vetoing the bill allowing interest at 3½ per cent on certain Federal Land-Bank loans and 4 per cent on Land-Bank Commissioner loans. He thus served notice that he is unwilling to support a program granting use of credit to farmers at rates as low as those enjoyed by other industries. By this veto he has placed a curse on the farm homes of America.

On July 2, 1937, Secretary Morgenthau informed me that during the past year he borrowed $4,300,000,000 at 2.35 per cent. He also informs me that "the computed rate of interest on the total interest-bearing debt amounted to 2.582 per cent on June 30, 1937." In other words with a federal debt of $36,500,000,000 the government borrows money at a fraction over 2½ per cent. The banks of the United States are so choked with deposits due to lack of use that they are begging for collateral loans carrying rates as low as 1 to 1½ per cent a year. The Reconstruction Finance Corporation was recently authorized to make loans at rates as low as 3 per cent and without security.

The President in his veto message absolutely refuses to recognize the fundamental principle that those engaged in stoop labor necessary to producing the nation's foodstuffs **are entitled to rates as low as other branches of industry which are carried on from over-stuffed swivel chairs.** It is high time the monetary program of this country be put on a basis which will enable the American farmer to enjoy interest rates as low as his brothers in other business activities already enjoy.

Farm Tenancy Is Lip Service

By Hon. William Lemke
Representative from North Dakota

If ever a mountain labored and produced a mouse, the farm tenancy bill is it. We have heard a lot of lip service that we are going to make farm tenants farm owners. In the light of that lip service, the bill is a joke and a camouflage.

According to statistics, there are some 16 million people who live on farms as farm tenants, counting members of their families. The total amount that will be appropriated under this bill for three years is $85-million, or just $5.31 for each of the 16 million persons who live on farms as tenants.

The Farm Credit Administration has taken 30,000 homes away from the farmers in a little more than two years by foreclosures. It has made 30,000 tenants, and under the provisions of this bill you can not again make farm owners out of more than 8,000 in three years of these 30,000. Remember that the Farm Credit Administration is just one of the agencies which has made tenants. **Hundreds and thousands of tenants are made each year by others foreclosing mortgages.**

When we voted for the Home Owners' Loan Corporation, and for the $2-billion appropriation, I knew and every member of Congress knew that we would lose a lot of money. A home is a non-productive place, and if the poor man did not have a job at the time he made the loan, and has not had a job since, how can you expect him to pay?

We need more home owners and then there will not be so many sit-down strikes. A person who has a home to protect will not want to destroy anything, and a person who has lost his home is ready to do a little destroying if necessary.

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The Pope Speaks Officially...

Reconstruction of the Social Order . . . . . Chapter VI

In order that the encyclical "On the Reconstruction of the Social Order" by Pope Pius XI might be more readily comprehended by the lay reader, SOCIAL JUSTICE is reproducing this famous letter ("Quadragesimo Anno") in question and answer form. The questions are stated by Father Coughlin and the answers in every case are directly quoted words of His Holiness.

1. In establishing free associations, be they trade unions or any other organization, may these associations be set up on the principle of class struggle or class warfare?

Just as the unity of human society cannot be built upon class warfare, so the proper ordering of economic affairs cannot be left to free competition alone.

2. Is there free competition? By this we mean: Is there individual warfare and class warfare now extant in unions and in society?

Yes. From this source have proceeded in the past all the errors of the individualistic school. (Elsewhere His Holiness identifies individualism with modern capitalism.)

(Note: Analyze the meaning of free competition. Individuals compete unreasonably against each other. Organized groups of individuals compete unreasonably against other organized groups.)

3. Is all individualism to be assailed and all free competition to be condemned by social justice?

No. Free competition, within certain limits, is just and productive of good results. But it cannot be the ruling principle of the economic world.

4. What, then, is the rule of social justice in this regard?

It is very necessary that economic affairs be once more subjected to and governed by a true and effective guiding principle. This function, however, must not be exercised by economic supremacy, which recently has taken the place of free competition.

(Note: The totalitarian state, where all individuals exist for the state, and whereby all are forced to recognize the state and its dictator as the head of the social body, is thereby condemned.)

5. How does Your Holiness characterize this economic supremacy?

This is a headstrong and vehement power which, if it is to prove beneficial to mankind, needs to be curbed strongly and ruled with prudence. It cannot be curbed and governed by itself. In order to control this economic supremacy, more lofty and noble principles must be sought. These principles are social justice and social charity.

(Note: Precisely the Holy Pontiff indicates that there must be a government of law and not a government of man. Precisely this law is the law of justice and of charity instituted by Jesus Christ.)

6. But may not some institutions, some trade unions, some organizations, be established independent of this social justice and social charity?

No. All the institutions of public and social life must be imbued with the spirit of justice, and this justice must be reduced to action. This justice must build up a juridical and social order able to pervade all economic activity.

7. But is social justice alone sufficient to bring about reforms and to permit its own principles to be reduced to action?

Absolutely no. Social charity (the mystical body of Jesus Christ) must be the soul of this order. It must be the duty of the state to protect and defend it effectively. The state will perform its obligation of protection and defense the more readily if it free itself from incidental burdens which are not properly its own.

8. Supposing the United States of America brings all this to pass, is it feasible and right for the United States to be content with its own achievements?

No. It would be well if the various nations in common take counsel and endeavor to promote a healthy economic co-operation by prudent pacts and institutions, because, in economic matters, they are largely dependent one upon the other and need one another's help.

9. Is it possible to bring all these desired reforms about only through natural means and only through regarding men and nations as social units?

Positively no. If the members of the social body will be reformed, and if the true directive principle of social and economic activity be reestablished, it will only be possible to accomplish this through recourse to the teaching of the mystical body of Christ. St. Paul said, in the 4th Chapter of the Ephesians, verse 16: "From whom the whole body, being compacted and fitly joined together, by what every joint supplieth, according to the operation in the measure of every part, maketh increase of the body, unto the edifying of itself in charity."

10. Before departing from this subject may we ask: "What is your thought on the corporative state such as exists in Italy under the name of Fascism?"

In a corporative state, the state grants legal recognition to syndicates, or unions. The state confers on them some of the features of a monopoly and says that they alone can represent, respectively, working men and employers; that they alone can conclude labor contracts and labor agreements.

Be it said that affiliation to the syndicate, or union, is optional for every person. Be it further said that this option or freedom to join or not to join the union is the only freedom the individual has, because whether he joins or does not join he must contribute to the union and pay other special obligatory taxes and abide by the labor contracts drawn up by the union.

It is true, in the corporative state, that the authorities have declared that the legal union (composed of working men and employers) does not exclude the existence of unrecognized trade associations.

These corporations are composed of representatives of unions or working men and employers of the same trade or profession. As true and genuine organs and institutions of the state, they direct and co-ordinate the activities of the unions in all matters of common interest.

In the corporative state, if the working men and the employers cannot come to an agreement, public authority intervenes. This brings about peaceful collaboration of the classes, repression of socialist organizations and the moderating influence of a special ministry (or labor board).

11. But is there not danger that the state is going too far in this corporative state setup?

There are some who fear that the state is substituting itself in the place of private initiative, instead of limiting itself to necessary and sufficient help and assistance. It is feared that the new syndical and corporative institution possesses an excessive bureaucratic and political character, and that it tends to serve particular political aims instead of contributing to the initiation of a better social order.

12. Well, then, if these dangers and fears are associated with a corporative state, where there is a dictator and where the above labor setup is officially recognized and instituted, is there a better way to bring about the purification of the social order?

We believe that to attain a better social order (and not risk serving particular political aims) so that a permanent advantage of the commonwealth will result, there is need, first of all, for the blessing of God. Secondly, there is need for the cooperation of all men of good will.

We believe, moreover, that the end intended (a better social order) will be the more certainly attained if contributions will be furnished by men of technical, commercial, and social competence. But, above all, we believe this end will be attained by Catholic principles and their application.

13. How can these Catholic principles and their application be reduced to practice?

We look for this contribution, **not to Catholic action, which has no intention of display any syndical or political activities,** but to our sons, whom Catholic action imbues with these principles and trains for the apostolate under the guidance and direction of the Church.

14. Can social justice be realized merely by our sons preaching the principles of social justice?

No. All that you have taught about reconstructing and perfecting the social order will be of no avail without a reform of morals.

Next week's chapter of the Pope's encyclical will deal with Socialism.

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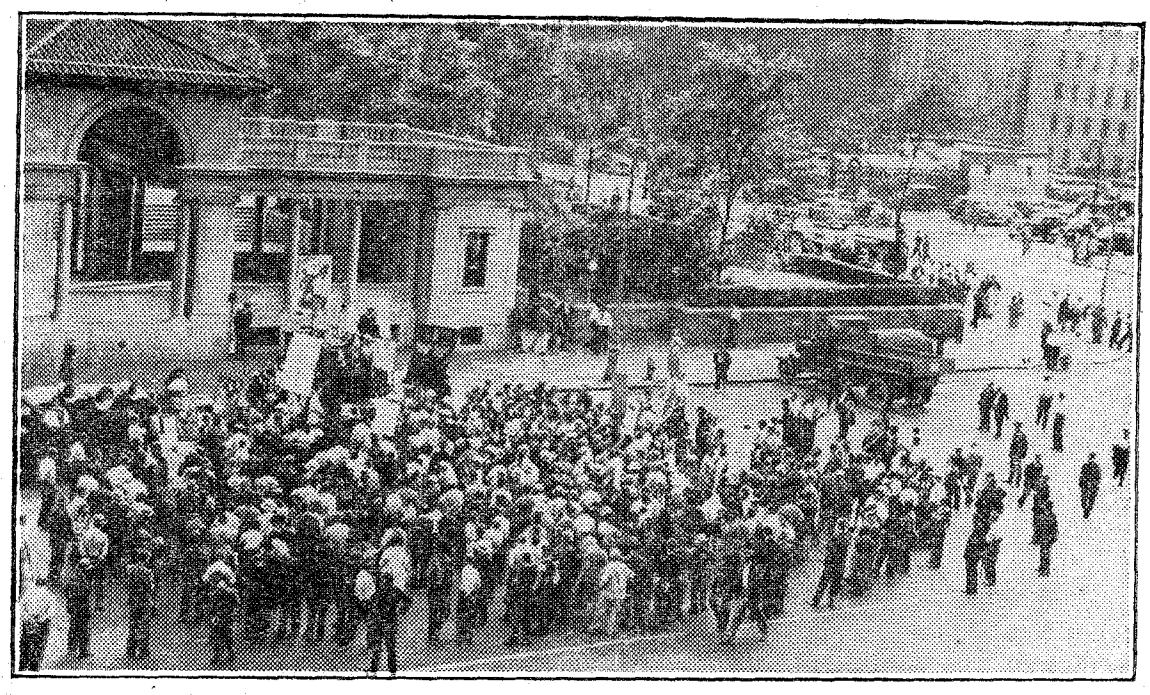


"They began to mass outside the large cities and then to march in orderly array into public parks and plazas." The above Acme newspicture shows a group of unemployed listening to an Anarchist talking in New York's Union Square. Notice the sound truck at the curb to the left, ready to give riot orders.

American Disposses

Evicted City Home (Red Plans for Ma Color of Fact to

FOLLOWING a review of the startling pre-Rooseveltian novel "Gabriel over the White-House" in these columns some weeks ago, scores of requests for the book have been received, despite the publishers' assurance that the volume is out of print.

The uncanny prophecy in the anonymous author's prevision of events during the ensuing decade gives to the unfulfilled forecasts of the book more than mere fictional interest. For example, the story presents a graphic account of a march on Washington and the capitulation of the nation to a dictatorship.

This picture of what has happened in older and more cultured nations is drawn by the anonymous novelist in terms that grip the reader in their spell. The novel becomes almost a recorded version of what is actually taking place. One feels that time, for the moment, were eliminated and a possible future as actual as the historic past.

The words of the accompanying text are those of the anonymous author. The illustrations, and newspaper headlines with which the story is interspersed, are from the daily press. Once more, in response to scores of inquiries, the publishers are Farrar & Rhinehart, but their letter to us as to other inquirers is that the book is "out of print."

CONGRESS seemed to have only one idea of dealing with the problem of unemployment and that was to vote larger and larger sums to the states for local relief. Here and there, the fiction was still maintained that this great outpouring of federal funds was not that fearsome thing called a dole, but the country at large, taxed almost to the breaking point, had long ago stoically accepted it as such.

The House, closer to the people and their needs, was ready to toss aside all political pretence and establish federal unemployment rolls, but the Senate, for form's sake, clung doggedly to the "American system" of financing the states in the enormous task of keeping millions of idle workers and farmers alive. Private charity as a source of relief had long since dried up.

parks and plazas. There they literally squatted, after demanding food and shelter from the civil authorities. Most of them were unmarried and many of them carried firearms. Short of a pitched battle in the center of the cities, it was impossible to move them and where the authorities had refused to supply the food, the encampments simply waited until nightfall and then brazenly pillaged stores and markets.

The country was quick to recognize the tremendous danger inherent in the squatting movement. One Congressional group proposed buying them off with a cash allowance. A second wanted to call out the army to annihilate them. A third talked about "colonizing them in the Philippines" (or Alaska?). A fourth wanted to surrender the entire government to them. Such indecision at Washington on the most threatening issue of the moment had earned for the federal government the unqualified contempt of the country.

Out of the shadows of national unrest and discontent had emerged a strange new figure destined to unify the unemployed and homeless and lead them "back to the light." His name was Otto Kuhl. During the World war, as a top sergeant with the A. E. F., he had won the Congressional Medal of Honor for a type of physical courage that left his superiors aghast at his recklessness. Afterwards, he had worked as superintendent in a Detroit automobile factory until it was forced to close down. Thereafter, he drifted with the jobless tide.

A crude but dynamic speaker, Kuhl was now going about the country exhorting those out of work to stand together, to mass upon the cities, to demand their due in food and shelter. He preached the gospel of peace and order, but behind his words was a threat. By common consent Otto Kuhl was rapidly becoming the organizer and leader of the squatting movement. He had no headquarters, no staff, no personal superiority; but he did have an idea that was spreading like wildfire across the country.

IN New York city, 10,000 unemployed camped in Central Park. Almost as many were squatting in Atlanta's Piedmont Park. Boston Common was speckled with pup-tents and lean-tos. Detroit's Grand Circus Park and River Rouge Park were dotted with tents. Chicago's Grant Park and Jackson Park was covered.

Rouge Park Urged as Site for Tent City

Advantages Outlined by Mrs. Gomon: Location Off Northwestern Highway Also Offered to Housing Committee

River Rouge Park, providing a large area equipped with sanitary facilities, is being considered as the site for the proposed tent city to house families unable to find homes during the current housing Mrs. Josephine Gomon, secretary of the Council's housing said today.

"The park certainly would ... central ...

—Detroit News.

Big cities were panic-stricken. Several governors had already called out state troops to protect shopping centers and residential districts. In some places because of popular fears of looting under cover of darkness, a sort of curfew had been instituted by local authorities and enforced by the police.

The ordinary citizen accepted all such developments with at least a show of good nature. After all, the squatters were of his own kind, his one-time friends and neighbors. But the underworld, for reasons which even to this day have not been fully explained, took an exactly opposite attitude and turned savagely upon the unemployed as upon a new enemy. The ruthless fury of the gangster element was fraught with large historic significance.

Among the motives offered for this extraordinary criminal outbreak were the increased activity of the police, the presence of militia patrols, the curfew, the apprehension of every section of the community.

The non-provocative attitude of the squatters up to the present had prevented any clash, but the irritation of the racketeers was rapidly reaching the breaking point.

Who is Guilty Of "Murders" In Chicago?

Molders of Public Opinion Guilty With Police And Employers

...AY AFTE...

A group of squatters in Jackson Park, Chicago, were murdered. A camp leader, a man by the name of Jack Bronson, went to the chief of police, who told him that his men were too busy guarding shops and stores in the business quarter to patrol the park. They evacuated the park and attempt to march on Springfield to see the governor. The march was broken up by armored cars who shot down scores of men. This action only fanned the flame of discontent.

Kuhl, the leader of the squatters, saw his chance and redoubled his efforts at organizing a movement which was in a very short time to become a decisive factor in subsequent American history.

He formed the detached u squatters into a National ployed Citizens' League. The of the isolated encampments ordered to break camp imme and march on Washington. a few days of the issuing order a quarter of a millio started for the Capital.

RELIEF WORKER OF CHICAGO VO LINK WITH C. I.

800 Move from A. F. o Vote Protest of Cu ... Allow...

From the idle factories East, from the derelict fields South, from the foreclosed an ting farms of the Middle-Wes from the shut-down mines a caying orchards of the Pacific from the great ports wit stagnant shipping, and fro small towns with their empty kets, jobless men took blindly, fully, to the open road.

Kuhl exercised an iron disc and the leaders of the variou tions copied his example. The no disorder, but sometimes a raiding and looting at nigh an occasional demonstration some local authorities declir help with food and shelter. ragged battalion carried the States flag in front and close were placards of Bronson marching from Jackson Park cago, to Springfield) and, cantly enough, of the pre Their marching song was t the Chicago eviction. "John B Body," but now the words son's Body" were substituted.

Something akin to panic

Dole Shut Off,

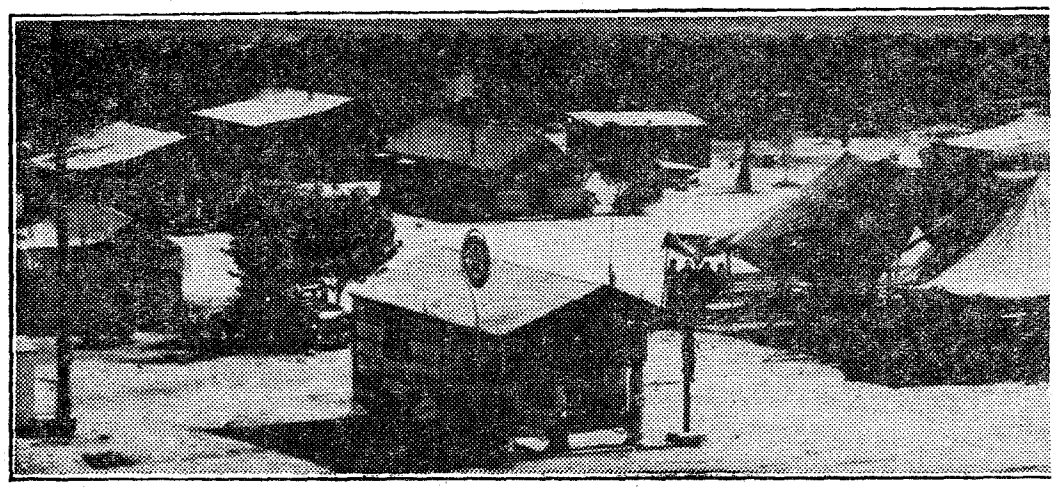
1715 Families In Flint Face Starvation

Times Staff Correspondent.

FLINT, July 30. — Thirteen members of the WPA Union, including three wo...

—From the Detroit Times.

Out of such sour soil had recently sprouted a new and weedy growth called the "squatting" movement. Because many of the states were lax or corrupt in distributing the relief funds they received from the federal government, thousands of out-of-work men had openly rebelled at the hand-out system. Taking a leaf from the history of the early '30s, **they began to mass outside the large cities and then to march in orderly array into public**



"Out of such sour soil had recently sprouted a new and weedy growth call recently mushroomed into existence throughout the country. The ranks of dust augmented by rent-paying tenants ousted from premises that are being torn do

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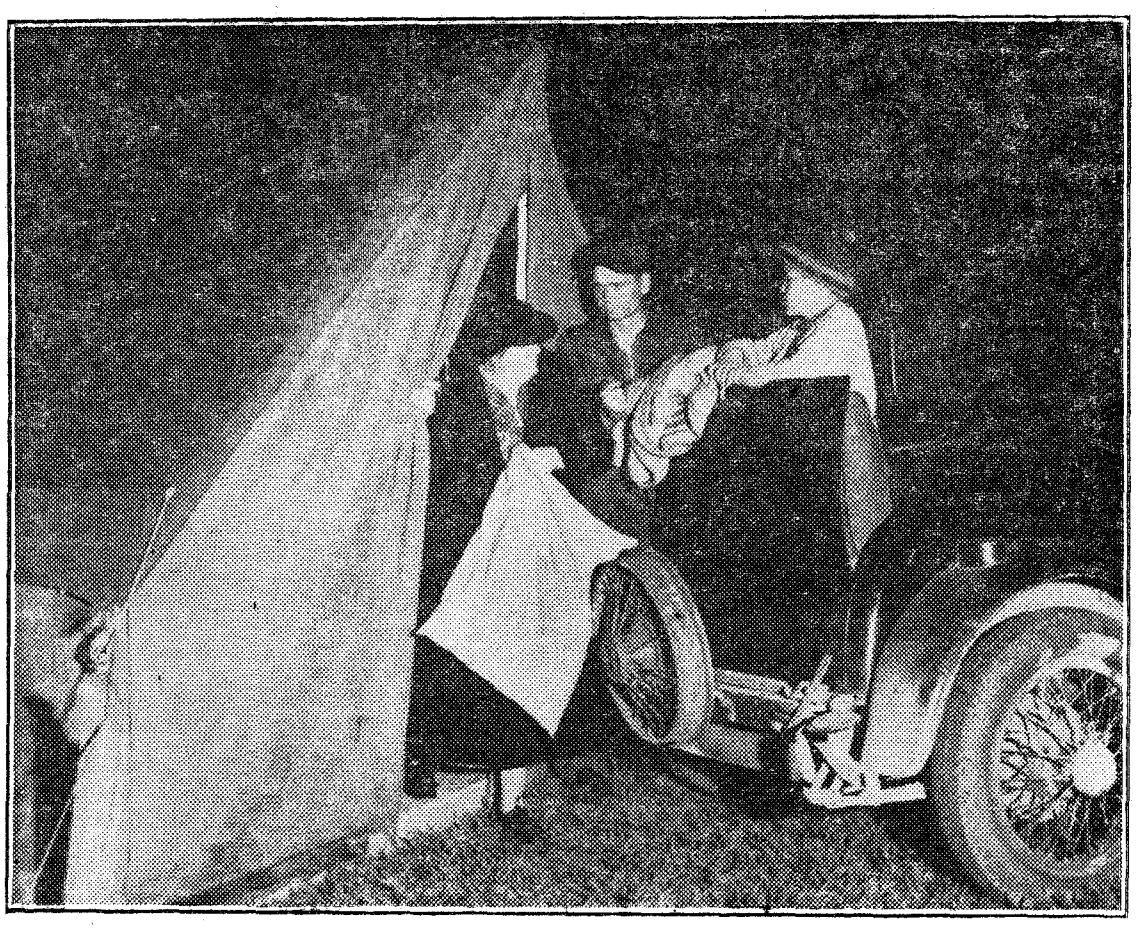
Are Driven to Tents; Will ed Revolt?

ners Living in Shacks, on Washington, Give ion Forecast



This Wide World picture shows an Oakland County, Mich., family bringing their furnishings into their new tent living quarters after being evicted from their nearby city home.

NEWS ITEM

Workers' Alliance Plans March

MILWAUKEE, WIS.—Thirty members of the Wisconsin Workers' Alliance will attend a meeting Sunday at Chicago to discuss plans for a "March to Washington" and a new job finding program.

Thomas LaPean, secretary of the Milwaukee county central committee of the alliance, said that **the motor caravan of the "march to Washington" would leave Milwaukee August 19. The caravan, he said, expected to reach Washington on August 23.**

Washington. What was to happen when this desperate horde arrived? How were they to be fed? Their numbers were already growing too large for the charity of the districts through which they passed.

Added to the fear of unrest and violence was the nearness of Kuhl's marchers. In three or four days the advance sections would be in Washington. No visible steps had been taken to cope with this formidable array. While the marchers were in Harrisburg, the president sent for Otto Kuhl and had a three-hour secret conference with him.

NEXT morning the chairman of the District of Columbia Commission and the superintendent of local police arrived at the White House in a breathless excited state demanding to see the president immediately. The first detachment of Kuhl's marchers had reached the District line. What was to be done? The president consented to see the police superintendent. That agitated officer explained that his men had the marchers temporarily halted, that they had made no show of resistance or even of remonstrance. They outnumbered the police by hundreds to one and more were coming on behind. Most of them appeared to be openly carrying firearms. He had applied for a battalion of marines but was informed that no troops were to be moved without the president's written orders. He could not hold the invaders off for five minutes if they decided to move into the city. What was he to do? He was sorry to bother the president, but this was more than a matter of ordinary police responsibility.

The president heard him out and then rose from his desk. He gathered up some papers as he walked toward the police chief and handed them to him, saying:

"Superintendent, here are your detailed instructions. You will withdraw your men and let the marchers move into Potomac Park, which is to be closed to the public while they are encamped there. You will see Major Lodge of the War Department and obtain from him supplies of food and medical requirements. The feeding, sanitation, and protection of these men will be the responsibility of the police department."

"But, Good God, Mr. President!" the amazed superintendent exclaimed. 'Have you thought of—of" With a gleam of anger in his eye, the president cut in sharply:

"The only thought which occurs to me is to accept your resignation if you don't get out to your job without another word."

Two hours later we in the White House offices heard the steady roll of drums as the first sections of the Unemployed Citizens' League paraded down Pennsylvania Avenue on their way to Potomac Park. I crossed the front grounds to watch the procession through the high iron fence. Small wonder, the Superintendent of Police had been frenzied! Instead of straggling bunches of exhausted and footsore men, shambling along in disarray, their dusty, tattered clothing symbolic of broken homes and broken lives, their faces apathetic in their common misery, there came stalwart bronzed men, few of them unshaven, marching in reasonably good military formation.

Instead of sullen hatred, they had laughter in their eyes and many of the detachments were singing. There was none of the crushed look of beaten men. Each head was held high and from each face shone courage and good cheer.

It was evident that Kuhl had enforced a rigid discipline and that his men, electing their own section leaders and officers, had chosen well. There was no rowdyism and as the day wore on the people who had deserted the streets when the first men marched through, now thronged back to the sidewalks. Even occasional bursts of cheering could be heard.

What panic there had been was quickly over and before nightfall a normal atmosphere had returned to the Capital.

There was only one sinister feature to cause anxiety. **Nearly every man carried some sort of a gun.**

That night about 10,000 men slept in the open in Potomac Park and a similar number was expected the next day. The police handled the issue of bread, coffee and beans, but there was difficulty over drinking water until the fire department temporarily piped it into the park.

Though 500,000 men were reported on the march, Kuhl showed his good sense by halting the rest of his columns some distance from the Capital and limiting the number in Washington to 20,000.

The first night passed without incident, but the following morning Major Lodge reported that it appeared most of the men's feet were in bad shape as several hundred rolls of wide gauze bandage had been completely used up, with urgent requests for more.

THE advent of Kuhl's marchers threw Congress into a state bordering on hysteria. Members wanted something done, but few had concrete proposals to make. Elderly Senators begged for military protection. Frisky young representatives were ready to fight Kuhl's unspoken threat. A minority wanted to buy him off. A majority wanted a lead from the president. Baffled, bewildered, frightened, Senators and Representatives were agreed on one thing—**a passionate desire for immediate adjournment.**

What had changed the attitude of Congress from arrogant superiority to nervous humility was not the political situation, not the broadcasts of the president, but a tactical development by Kuhl's men squatting in Potomac Park.

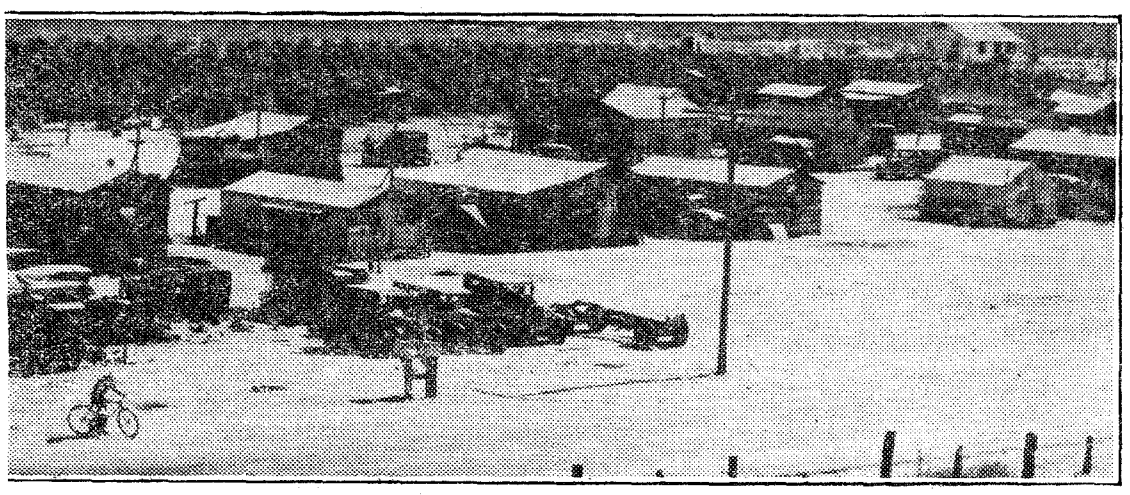
The excessive demand for rolls of bandages was not, as Major Lodge thought, due to feet cut and bruised by much marching, but to the need of providing the squatters with an insignia.

From Tuesday morning on each of the marchers wore a wide white bandage on his left arm above the elbow. This bandage enabled parties of men to move about the streets bearing firearms without police interference. It also made possible the execution of a plan of passive terrorism which was to reduce Members of Congress to physical and nervous wrecks.

The squatters had been supplied with the home address of each Senator and Congressman. Early on Tuesday afternoon three or four

(Continued on page 10)

City Urged to Place Homeless in Tents
7,000 in Wisconsin Seek Relief in Vain
Tents Sought for Houseless
Prosperity Multiplies Evictions
Tarpaper-Covered Tents, Cabooses Form Trailertown
Families Unconscious of Being Wronged by Society
No Privacy for Squatters Living on Ragged Edge of Poverty
Minneapolis Tent Colony Lives at Ragged Edge of Poverty, Disease
Relief Shelter Crisis Grows
Ohio Faces Disaste
As Several Countie
See End of Relief
Cincinnati Relief To End Early in Augus



'squatting' movement." Above is one of the many tent and shack colonies which have fugees, evicted city owners deprived of their homes by the H. O. L. C., are now being nsightly" despi the prevailing house shortage. Picture by Wide World.

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Tour Visitors Bring Gifts to the Shrine

A group of Indiana loyalists, visiting the Shrine of the Little Flower on Indiana Day, July 25, were donors of a beautiful altar cloth, for which grateful acknowledgment is made by Father Coughlin.

The individual donors were Sister St. Magdalen, St. John Academy, Margaret Brand, Mr. and Mrs. D. J. Becker, Mrs. C. Finnegan, Mr. and Mrs. J. W. Foley, Eleanor Higgins, Albert Kempe, Mary J. Leach, A. J. McKinnon, Michael O'Brien, Anna Pich, Mrs. Bertha Shepherd, Mr. and Mrs. Rudy Skabla, Elizabeth Taylor, Frances Tekulve, Robert Zepf. Lace and hand work were done by Fay Becker, Mary Leach, Elizabeth Taylor and Anna Pich, and the altar cloth was laundered for presentation by Mrs. A. Weber, 75 years old.

SOCIAL JUSTICE is also asked to make public acknowledgment of a $44 donation presented to Father Coughlin on New Jersey day, July 19th by the Civic Educational Council, representing Hudson county, New Jersey. Mr. Gregory Bailey is the moderator.

For the scores of anonymous donations made by pilgrims to the Shrine on these special days, Father Coughlin's warm words of gratitude are also addressed.

Finding Contest Winner Task to Keep Staff Busy

Computation for winners in our recently concluded **"KNOW SOCIAL JUSTICE"** Contest is proceeding with utmost speed. The names of those readers who showed that they really knew their social justice a shade better than other contestants will be announced, we expect, within the next two or three weeks: Immediately the computation has been completed and the winners ascertained, the cash and automobile prizes will be delivered to those who came out on top.

Meanwhile excitement is heating up throughout the country over our new **"KNOW AMERICA"** competition now in its eighth week. We are receiving rafts of letters complimenting us on the educational features of the second contest. Of course, that is mainly our purpose —to inculcate in our readers a lively interest in things American and at the same time to spread the scope of influence of SOCIAL JUSTICE.

We must again remind our readers that there is a Special Promptness Prize of $750.00 to go to the winner of the Grand Prize who enters the Contest during the first 10 weeks. Added to the Grand Prize of $2,750.00, this will bring to the winner the grand total of $3,500.00. Surely this is worth striving for with all the knowledge of our country one can call into action. While there is a Second Prize of $1,250.00, a Third Prize of $500.00 and hundreds of additional cash awards, everybody naturally aims at the Grand Prize.

Many readers resort to a "waiting policy" in our contest. They postpone until the final days their entrance. Now, it is true that prizes in competitions of this nature are often won by persons who wait until the last. However, we believe it better policy to enter early so that a certain amount of thought can be given to each pair of weekly questions. It is also much easier on the clerical staff.

We would urge all our readers to enter the Contest during the next two weeks so that the winner can be sent a check for $3,500.00 when the great competition closes around Christmas-time. Incidentally, what a Christmas package that would be!

Will Dwellers in Tents March on Washington?

(Continued from Page 9)

white-armleted men took up positions on the sidewalk outside the house or apartment of each member of Congress.

They molested nobody and were perfectly orderly. At fixed intervals they were relieved by other squads. Day and night they maintained their surveillance. Whenever a Senator or Representative left his home, he was grimly and silently followed at a few paces by three of these implacable, stony-faced guards. If he took an automobile, they commandeered a taxi with their guns and followed. If he entered a restaurant, theater, or public building, they waited outside for him. Sometimes they lost him in a shuffling crowd—but not often or for long. His tracks to the Capitol were dogged each morning, and in the afternoon, he was trailed back to his club or home.

At front entrances, at rear gates, outside hotels and restaurants, early in the morning, throughout the day and far into the night the "white bands" were watching and waiting to provide an unwanted escort. Remonstrance with such a huge silent force was obviously futile. Two Senators did try to cane their "shadows" but thereafter, by way of punishment, were followed by six squatters each instead of three.

The "Silent Terror" was all the more menacing and nerve-racking because there was no explanation of its purpose.

As the days passed, these uncanny, mute and never-relaxing shadows completely unnerved Congress. Dozens of legislators complained of "breakdowns" and left Washington. Others stayed in their homes rather than attend the sessions at the Capitol. The actual meetings of Congress became brief, demoralized affairs which reduced the prestige of that body almost to the vanishing point. The press, always contemptuous of Congress, was afforded a field day of ridicule and sarcasm.

The resignations of all members of the cabinet were requested by the president.

The president summoned leaders of Congress to White House and said:

"Gentlemen, tomorrow morning I am going to ask Congress to declare a state of national emergency immediately. Congress is then to adjourn and, until more normal conditions are restored, I propose to accept full responsibility for the government, with the assistance of a new cabinet."

Congress convened in joint session.

From the rostrum below the Speaker's chair, the president read a brief speech. Its phrases were blunt, ineloquent: "Dangerous state of the Union . . . disorder and bankruptcy in cities and states . . . unemployment getting out of hand . . . failure of private charity and of federal schemes to alleviate their hardships . . . a national emergency is here. . . . The Congress must recognize it . . . appropriate action . . . my responsibility . . . common policy . . . extraordinary authority to the president . . . adjourn sine die."

There was no attempt at an explanation or rhetoric. Senators and Congressmen listened in silence. The one sentence which fell like balm upon their minds and soothed their broken nerves was that Congress should adjourn. The rest didn't matter. They could get away from their failures, from the contempt of the press and public opinion alike. They could walk and talk and have their being without the ever-present shadow of Kuhl's accursed "white bands." They suddenly felt human again.

When the president finished and withdrew, the Senators rose and filed back to their chamber across the Capitol amid an awful hush. Promptly put before them was the national emergency resolution. For once there was nothing worth while to say, and the resolution was adopted in 10 minutes with only nine adverse votes. In the House, Congressman Mulligan ranted and raged until he found that even his inflammatory tongue could not rouse his fellow members to concerted opposition. The resolution was adopted 390 to 16. Adjournment followed immediately.

Dictatorship ruled America.

Special Program For Labor Day At the Shrine

The first Monday of September has been dedicated by law to the minds and hearts, the souls and bodies, the aspirations and ambitions, the love and endurance of that great American class — the American Working Man.

To those who work in the sweat of their brow, and to every man who earns his daily sustenance by the pick or the plow, by the lathe or the machine, Labor Day is their day. It is right and just that the American nation honor the work of that class of people who by their toil and sweat built the American nation as the foremost country of the world.

Labor Day of this year will see many thousands of working men assemble at the Shrine in Royal Oak, Mich., to view the citadel from where went out the voice of one who proclaimed the right of the working man to organize, who upheld the dignity of the working man, who fought for an annual living wage and who continues the fight that the laboring man is worthy of his hire, that the government should protect the rights of this class so that they will not be exploited and assessed for funds used for political propaganda.

Father Coughlin will have a special message for Labor on that day and everyone is cordially invited to convene at the Shrine of the Little Flower in Royal Oak, Mich. on Labor Day of this year.

Three States Visit Shrine On August 22

Citizens of the great mid-west states of Michigan, Wisconsin and Minnesota are sending large delegations of friends and acquaintances to the Shrine of the Little Flower in Royal Oak, Mich., on Sunday, August 22. Letters from cities and villages of these states indicate that large numbers of people will be present to enjoy the solemnity of the services and to hear Father Coughlin.

Already the great number of visitors that have come on the appointed Sundays to listen to Father Coughlin expound his doctrines of justice and charity among all men have exceeded every expectation. These groups already have outnumbered the Cleveland convention attendance by many thousands.

From the cities of Racine and Kenosha in Wisconsin, from Minneapolis and St. Paul in Minnesota, from the dynamic metropolis of Detroit and from Port Huron, Flint and Grand Rapids will come thousands of pilgrims and visitors to Royal Oak on August 22.

Sundays at Shrine

August 8—Cleveland and Toledo.

August 15 — Maryland, Virginia and Washington, D. C.

August 22 — Michigan, Minnesota, Wisconsin,

September 5 — National Day. (For all.)

Minnesota Day

SHRINE OF THE LITTLE FLOWER
Royal Oak, Michigan
AUGUST 22, 1937
Round Trip Fare, $20.50
Includes Many Additional Privileges
Via Milwaukee Road, Pennsylvania and Wabash R. R.
For Tickets and Information Contact:
Mr. J. J. Burns
3833 15th Ave. S.
Minneapolis, Minn.

Baltimore -- Washington Cumberland

Offical Tour
To Father Coughlin's Shrine of the Little Flower
Sunday, August 15, 1937
(Feast Day of the Blessed Virgin Mary
Patroness of the Baltimore Archdiocese)
Low Fare Only $12 Round Trip
Based on 300 or More
RESERVATIONS LIMITED — MAKE APPLICATION NOW
Personal supervision of the Baltimore Social Tours,
637 South Streeper Street, Baltimore, Maryland

Toledo Cleveland, Columbus Day

SHRINE OF THE LITTLE FLOWER
August 8, 1937
Solemn Services 11:00 A. M. and 1:00 P. M.

SPECIAL New York -- Eastern States Official Tour

To the Shrine of the Little Flower, Royal Oak
Special Over Labor Day Week-End
Rail-Water Vacation and Pilgrimage
INCLUDING A DAY AT NIAGARA FALLS
September 3-6, 1937
$24.75
Steamer Accommodations Limited Early Reservations Necessary
$5.00 Deposit Assures Space
Write, Phone or Wire for Detailed Folder

Erie Railroad Co.
8 West 40th St.
New York City
Penn. 6-0931

Frank J. Williams
New York Representative
3420—32nd St.
Astoria, Long Island
RAvenswood 8-10320

Byran B. O'Rourke
1397 Westchester Ave.
New York City
Westchester 7-1731—7-1371

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Study Effect Of Machines On Jobless

(Continued from page 1)

acid test of future scientific progress.

Social Justice Key to Problem

"Monetary reform," the "living annual wage," "cost of production for the farmer" and the "nationalization of important national resources" instinctively spring to mind as the only solutions to these technological problems which the scientists say are in store for the nation.

The committee itself has made no recommendations as to how to meet the coming problems other than to urge the appointment of a permanent planning board to deal with developments as they rise from time to time in the new machine era.

The government is asked to begin special studies at once into the future economic effect of such inventions as the mechanical cotton picker, plastics, the photoelectric cell, television, prefabricated houses, air-conditioning, synthetic rubber and the manufacture of cotton and wool from cellulose.

Benefit Wealthy At Cost of Poor

Everything in the report points to unprecedented advances in inventions to ease the lives of a handful of wealthy people and accentuate the insecurity of the laboring classes.

President Roosevelt made the following statement after receiving the report:

"A review of new inventions and the problems of change which they carry with them is made for the first time by the federal government in this comprehensive survey of technological trends in major industries. For the continuous revision of plans we need continuing surveying agencies.

"In our planning for the nation we must view the general causes and trends that bear on our welfare. Any specific program may be affected by forces originating outside a particular problem. This report holds out the hope that we can anticipate some of the effects of major inventions and make plans to meet new situations that will arise as these inventions come into widespread use.

President Sees Social Values

"While it is certain that much of the unemployment caused by the march of technical advance is absorbed by new occupations born of new industries, it is equally true that in the meantime labor must pay a very heavy price through the readjustment and adaptions necessary on the part of workers whose jobs are affected by change. Employers likewise are deeply affected by swift technological changes producing obsolescence and displacement of capital investment.

"More than jobs and investment are affected by technical change: Family, church, community, state and all industry are subject to its influence. Study and investigation of technological advances and their social implications constitute one of our most important American planning problems.

"I commend this report for earnest consideration in solving the great problem of how best to conserve and develop our vast national resources. A study of this report will be of help not only to the public servants in the legislative, executive and judicial positions of government, but also to others in private employ, business, journalism, agriculture and the teaching professions."

Labor Highlights

Workers Flocking To Join A. F. of L.

WASHINGTON, D. C.—The American Federation of Labor announces that its counterattack upon the radical unionization drive of the Committee for Industrial Organization already has netted 650,000 new members, bringing the "loyal" membership of the Federation to 3,091,049.

John P. Frey, president of the metal trades department and instrumental in the suspension from the A. F. of L. of 10 C. I. O. unions, said this constituted a replacement of more than three-fifths of the membership lost by the action.

Frey disclosed that the Federation plans to make exclusive bargaining agreements between employers and "councils" of unions which represent the various crafts in a plant. Thus, he said, craft workers would have protection while employers deal with a single bargaining agency.

Detroit Employer's Sit-Down Wins

DETROIT, MICH.—More than the 200 employes of Fry Products, Inc., returned to their jobs after voting to accept peace terms which had been offered by Walter L. Fry.

Terms of the agreement are: That employes be represented by a committee composed of Fry employes only, that there be no signed agreement with the U. A. W., that there be no discrimination between union and non-union employes, that seniority rights prevail and that there be no decrease in wages.

"I'm not picking a quarrel with organized labor," Fry said. "My employes have the right to belong to any organization they choose. I do object, however, to dealing with the U. A. W. as it is now constituted, because my experience with it has proved that it is irresponsible."

Edward Ayres, U. A. W. organizer, told Fry employes that he believed it would be good tactics for them to go back to work.

"As far as I am concerned, Fry is looking for national publicity and is just bluffing. As far as the international union is concerned, **as long as we have five loyal men or women in Fry's plant we can close it down anytime we want to.**"

A chorus of boos greeted this remark.

Contract Permits Ouster of Reds

BOSTON, MASS.—In a professed effort to combat any undesireable Communistic and un-American influences in the C. I. O., the International Association of Oil Field, Gas Well and Refinery Workers of America, a C. I. O. affiliate, has embodied in its contract with a Boston oil firm a clause which would allow the discharge of an employe on these grounds. The idea of combatting Communism within the ranks of the C. I. O. originated with the president of the union, Stephen C. Dunleavy, Sr.

"The Committee for Industrial Organization has made many enemies because of charges that Communists were active in it" said Mr. Dunleavy. "There have been stories that Communists and others with anti-American doctrines were injecting themselves into its affairs and that their influence has been harmful to the movement.

"I believe this clause in the oil contract is unique among labor contracts and is the first real outward action taken by the C. I. O. anywhere in the country in fighting Communism within its ranks."

Knudsen Demands Tieups Stop

DETROIT, MICH.—Some means of definitely stopping wildcat strikes by U. A. W. members must be found before General Motors Corporation will consider changes in the present agreement with the union, William S. Knudsen, General Motors president, repeated in a letter to Homer Martin, U. A. W. president.

"Without definite guarantees against unwarranted interruptions to production, the agreement will continue to be unsatisfactory to both men and management.

"In none of over 200 cases in which a strike occurred did your organization follow the grievance procedure to a conclusion."

Drivers and Butchers Strike Cuts Food

BUFFALO, N. Y.—Western New York last week felt a food shortage for the first time since a strike of union truck drivers and butchers tied up wholesale and meat packing plants. Both independent and chain stores reported no butter, eggs, cheese, poultry and other foods on their shelves.

The Transport Workers Union Is a Unit of Communist Party

By Special Correspondent of SOCIAL JUSTICE

NEW YORK, N. Y.—The Transport Workers Union of America is Communistic and not American in any way. Moreover, it is not a labor organization, but a "unit of the Communist Party of America."

This warning to labor, in a letter to the Brooklyn Tablet, bears out a similar warning published in the July 12 edition of SOCIAL JUSTICE.

Communists boast that they have gone after the American transport workers from the very beginning, writes the Tablet correspondent. "The Party Builder," published for the benefit of Communist leaders and for those who in Communist teminology constitute the "leading fraction," asserts:

> "Traction is one of the industries chosen by the district of our party (Communist party) for concentration. To build the Transport Workers union and root the party in this industry is therefore no ordinary task. Building the party (Communist) in traction is basic. Let's do it."

Leading Fraction Under Cover Group

The term "leading fraction" refers to those Communists who join any non-Communist organization for the purpose of boring from within and ultimately placing themselves in key positions of control. According to Communist rules, those who constitute the "leading fraction" must be careful to abide by the following regulations:

1. They must be sure not to admit any connection with the Communist association. In other words, **they must act undercover.**
2. They must **gain control of important positions in various unions.**
3. Each union must be examined for weak points and openings so that the workings of the Communists will fit the situation.

Put Catholic In as President

Michael J. Quill is president of the Transport Workers union. The majority of the transit workers in the New York area are Irish-Americans, many of them Catholic and supporters of Father Coughlin. So, for window dressing, the reds have put an Irishman and a Catholic at the head. Mr. Quill became president **at the expression dictation of the Communist Party of the United States.** He succeeded one Thomas O'Shea, who was once a Communist, and **who was ordered by the Communist party, prior to 1935, to relinquish the office of president of the Transport Workers union to Michael J. Quill.**

Quill, allegedly, is a Communist. So is Austin Hogan, whose real name is Austin Dilloughery, and who is secretary of the Transport Workers union. So is John Santo. These men freely admit that they are members of the Communist party. Their legal and political adviser is one Rose Wortis, a candidate for office on the Comunist party ticket last November. John Santo is an assumed name. Doughlas L. MacMahon, Brooklyn organizer of the union, is also a Communist.

O'Shea Affidavit Discloses Personnel

Thomas O'Shea, who has renounced the "godless and hypocritical principles of Communism," has made the following statements in an affidavit:

Referring to Quill and Santo, and Hogan and MacMahon, he says:

"During all this time I was well acquainted with every one of these men and I was a member of the Communist Party of the U. S. A., (Section of the Communist Internationale) District 2, Section 24, City of New York, State of New York, **and each and everyone of the above-mentioned men was also a member of the same Communist organization.** Santo, at the same time, was the organizer of Section 15 of the Communist party of the New York district in the Mid-Bronx County.

"Just previous to 1935, orders were issued to me by the Communist party that I must relinquish my office as president of the Transport Workers union to Michael J. Quill. This I did and Quill became president of the Transport Workers union in January, 1935, and all the others above mentioned retained their positions along with him as members of the 'Leading Fraction' of the Communist party in the Transport Workers union."

Communists have established and occupy the key positions in the Transport Workers union. Communists, as the "Party Builder" suggests, have taken control of the Transport Workers union, not for the benefit of the workers, but to advance the cause of Communism.

On May 28, 1937, the Transport Workers union signed an agreement with the Interborough Rapid Transit Company, through the receiver, Thos. E. Murray, Jr., giving a 10-cent raise to the 14,000 employes, but in the same contract, by juggling of hours, most of the workers lose from $120 to $300 annually. This is a typical Communist tactic.

Lewis Now Calls Green 'Traitor'

WASHINGTON, D. C. — John L. Lewis now refers to William Green, president of the American Federation of Labor, as a "traitor" to the working classes, but less than a year and a half ago he extolled Green as a great leader.

At that time, during the Atlantic City convention of the A. F. of L., Lewis referred to Green as the most able man in America to lead the labor movement.

Since then the head of the Committee for Industrial Organization offered to the man he now calls a "traitor" the titular leadership of that insurgent labor faction.

In a series of letters under dates of December 7, 1935, and December 15, 1935, Lewis urged Green to desert the federation and accept a position in the C. I. O. at equal, if not greater, remuneration than he is now receiving.

Gag Ordered On Labor Bill

WASHINGTON, D. C. — There is much impressive "viewing with alarm" in the speeches of senators and representatives who see John L. Lewis and his C. I. O. movement as a menace to democracy, but there is little apparent inclination to do anything about the situation.

If the Congressmen who attack Lewis were really as interested in "saving the country" as they say, they could enact legislation, already written, which would both check the dangerous progress of the Committee for Industrial Organization and aid the cause of the American labor movement.

On April 7 of this year, at the behest of the American Federation of Labor, a bill to amend the Wagner Act was introduced jointly by Senator David I. Walsh of Massachusetts and Representative Martin Dies of Texas.

One Sentence Could Save Labor

The bill provides "that in any case where a majority of the employes of a particular craft shall so decide, the (National Labor) Board shall designate such craft as a unit appropriate for the purpose of collective bargaining."

That is all—just one sentence. Yet this bill would prevent John Lewis from devouring A. F. of L. craft unions in mass production industries. It would stay the Lewis-dominated National Labor Board in its projected effort to destroy the A. F. of L.

More than this, it would give real American unions a chance to exist, at least, in the same factories with Communist-led unions.

Why hasn't this constructive legislation been approved by Congress?

"Gag" Ordered By Mme. Perkins

The answer is—Madame Secretary Perkins, who takes her orders from John Lewis, has publicly opposed it **and has privately directed that it be "gagged" in committee.**

Even the authors of the bill are afraid to urge any action by Congress lest they incur the displeasure of the administration.

Representative Dies informed SOCIAL JUSTICE that he was "unable" to say if the one-sentence amendment would get a "hearing" at this session, and the office of Senator Walsh was even less informative. That's a most unusual attitude for Congressmen to take with respect to their own legislation.

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Father Coughlin's Letter to the Clergy ...Continued

(Continued from page 5)

must now be to force industrial unions **by any method within the means of the party,** even 'buying up' some of the present A. F. of L. leaders if necessary.

"Subsequently I learned that Francis Gorman, vice president of the United Textile Workers Union was the most likely person and that Leon Josephson, head of the G.P.U. (Russian secret politce) force in America was to arrange for a 'get-together' with Gorman on the proposition.

"Other sections of the Comintern met, including the coal and metal section. I did not attend the meeting of those sections, but the same procedure was followed in all. It was unanimously agreed that John L. Lewis was the man to approach in the mining field and that no expense should be spared to accomplish that end."

Evidently, in the report of the "Resolutions of the 9th Convention of the Communist Party of the U.S.A." the demand that the C. I. O. "pass over from words to deeds" was heeded. At least, John L. Lewis was selected to head the C.I.O.

This is the same convention which passed resolutions to promote the organization of the power of the working class for the higher stages of struggle, for the overthrow of capitalism and for the establishment of socialism.

No wonder, in a recent report issued by the Communist Party of the U.S.A., it was proudly pointed out that there were 1,898 strikes directly affecting 1,141,363 workers and costing them 15,641,329 working days in 1935. This report bragged over the losses in wages to the workers as Communist successes and sneered at the miserly 5 and 10 cent hourly pay raises, because these insignificant raises did not compensate for the national loss sustained, and because these same losses were hastening the revolution.

YOUR Excellencies, Right Reverend and Reverend Confreres, these are facts which no busy priest has an opportunity of ascertaining unless he has his own personal agents in the ranks of the Communist Party devoting all their time to the study of Communistic activities within the labor movement of America. While I present these facts to you without any fear of their being contradicted, rest assured that I have no ulterior motive in taking the unpopular side of this question.

In the June 26, 1936, "Report on the 9th Convention of the Communist Party," which I have before me at this writing, the Communists, who were formerly opposed to John L. Lewis, now openly praise him, together with Hillman and others, because they are for the Communist plan. The report says: "We are heartened . . . . While we meet, the C.I.O. is launching the second great crusade to carry trade unionism into the open shop citadel of monoply capital . . . . We can say that the transformation would have been impossible without the energetic, persistent, well planned and well directed participation of the Communist Party and its followers in this (the C.I.O.) movement."

The report goes on to manifest a jubilancy over this Lewis movement and specifically refers to his change of heart and to his appointment of John Brophy as director of the C. I. O. This Communist report states that with the conversion of Lewis came Brophy, and "with Brophy came other men of the same caliber." At the outset I promised to draw no conclusions. Your own trained intellects can decide for yourselves.

I simply say, in passing, that a deal of printers' ink in The Catholic Worker and an equal amount of uninformed clerical applause have been expended in trying to contradict the Communists who claim for their own Mr. Lewis and Mr. Brophy. But be it stated that neither Mr. Lewis nor Mr. Brophy carry Communist cards and, therefore, politically they are not Communists.

To belong to the soul of the church and the body of the church is a theological distinction. A similar distinction obtains relative to ones belonging to the soul of Communism and to the body of Communism.

It is important at this juncture to re-state that the Communist political party is in the process of dissolution. Two weeks ago in New York state it ceased to exist on the ballot. Now it is veiled behind the Labor Party.

Kindly pause before any conclusion is here drawn. Permit me to analyze briefly the plea which is being widely made for Chrisians to join the C.I.O. "even though there are communistically inclined men at the head of it." Those who so plead are under the impression that, by adopting the Communistic tactic of boring from within, they can convert the C.I.O. leadership.

If boring from within is a Christian method, why do not the bishops advocate that Catholics join the Methodist Church and bore from within, or why does not His Holiness advocate that Christians join the Communist Party and bore from within, always with the hope of converting those in error?

Are the advocates of such tactics aware that the C.I.O. has received the endorsement of the Socialist Party on June 25, 1937? Are they aware that a pledge of co-operation and support was extended to the C. I.O. by the Communist Mexican Federation of Labor through its head, Vincente Lombardo Toledano, who is also the head of the Communist Workers University of Mexico? By the way, this pledge of the reds' support came from "Comrade" Toledano to "Comrade" Lewis.

IN NO WISE am I attempting to cast aspersions upon labor unions. But I am daring to suggest the doctrine of Pius XI who definitely, in urging the formation of labor unions for the protection of labor's rights, says that the exploitation of the poor and the concentration of wealth in the hands of a few are two evils which cannot be abolished as long as the power of money and credit is so held in the hands of a few that no one dares breathe against their will.

Only a few of the uninformed laity do not recognize that Leninism refused positively to have the Soviet government issue and regulate the value of money, and that Lewisism in the United States, following the Russian prototype, just as positively reiterates that coinage and regulation of money by Congress has little to do with the labor problem.

In this conflict between the ideas of Pius XI on the one hand, and Lenin and Lewis on the other, the informed clergy of America is certainly upon the side of His Holiness.

But back to our fact-finding. In the Soviet "Labor Roll of Honor for 1937" here are the names which rated the highest: Stalin (Russia), Browder (U.S.A.), Cabalero (Spain), Harry Bridges (U.S.A.), John L. Lewis (U.S.A.), Homer Martin (U.S.A.), Joseph Curran (U.S.A.), Krhypnen (Russia) and Tom Mooney (U.S.A.). Likely, the Bolsheviks are aware of what they say.

In the litany of Soviet saints, the Russians know well whom to place, nominatim, in the first category.

Armed with these and other facts, SOCIAL JUSTICE was quick to contradict the headlines in the Catholic Worker, (a paper sold in many Catholic churches), **which stated the C. I.O. was approved by Rome.** Evidently, Miss Day, the publisher of The Catholic Worker, mistook His Holiness for someone else.

In a new book written by an admirer of John L. Lewis (I do not wish to publicize its name), and which will be placed upon the bookstands very shortly, it will be prophecied that Lewis will be president of the United States in 1940. A proof sheet reads as follows: **"With the American Labor Party Lewis will bring class struggle to the surface with fighting in the streets of America, like those of France and wartorn Spain. Either Communism or Fascism will flourish and rule."**

Whether or not we shall witness this debacle is presumptuous to predict. Nevertheless, it is certain that the C.I.O. is established upon the rule of class struggle. It is certain that labor is organizing under the C.I.O. for political purposes. It is certain that the entire C.I.O. movement, insofar as it is now political, is hostile to the dicta of Leo XIII and Pius XI, namely, labor needs capital and capital needs labor. By the salient fact that it stands for class ascendancy, the C.I.O. runs counter to Christian teaching.

The totalitarian state, towards which this year's brand of Communism is verging, is well known to all of us. It maintains that all individuals exist for the state. It embraces the further idea that the state is the head of the body politic and the citizens are its members.

Christianity, I need not inform you, builds its social order upon the doctrine of the mystical body of Christ. Christ is the Head, and all individuals and classes are merely members of that mystical body which is animated by the Holy Ghost.

Totalitarianism, towards which American Communism is rapidly inclining, is a material concept. It is the same concept upheld by the C.I.O. It runs counter to the spiritual concept and, therefore, cannot receive our applause.

In these two articles I have made no attempt to disqualify legitimate strikes, and I have made less attempt to support modern capitalism which, to my mind, is the cause of Communism.

May I conclude these remarks by stating that no effects can be permanently destroyed until the causes will have been removed. Therefore, if Communism and its philosophy will be conquered in America, we Christian Americans must not content ourselves by advocating that our people join the suspect C.I.O. in order to convert it. Nor shall we be content to advocate the 5 and 10 cent hour wage raise which the C. I.O. proposes, while the purchasing power of the dollar more than assimilates all the pseudo-gains resulting from strikes. Nor shall we be content to hold up the right hand of the C.I.O. as, before your eyes, it is going through the metamorphosis of becoming a political party.

Sanity suggests to us to remove the causes in the system of modern capitalism which have produced the effects which surround us.

Once more I paraphrase Pius XI who says that **"the exploitation of the poor and the concentration of wealth are irresistible as long as money and credit are so held in the hands of a few that no one dares breathe against their will."**

When shall we learn this?

When shall we believe our Holy Pontiff?

When shall we unite in common to destroy this "modern usury?"—the term the Pope used—which has enabled a small group of men to control money, to abuse credit, to determine the policies of industry and, therefore, to treat men as chattels?

Charles E. Coughlin

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The People Speak....

Suspects Sponsors Of Amendment

To the Editor:

Labor got the biggest set-back in history by the enactment of the Wagner Act. Huey Long once said: **"I don't have to read the law to find out whether it is good—All I have to know is who sponsors it."**

Senators LaFollette and Wagner are supposed to be labor men. They were instrumental in passing the Wagner Act, they voted against the prevailing wage, they voted against the Soldiers' bonus.

LaFollette was also in favor of the Social Security, a European scheme taxing the worker on a gross income and making him pay exorbitant indirect taxes for the employers' share in the disguise of social security.

They are now trying to amend the Sherman Anti-Trust law further to defeat labor, because the Clayton Act amending it in 1914 declared that human labor was not a commodity nor an article of commerce, and that labor organizations are not illegal combinations or conspiracies against trade.

—M. J. L.

Indianapolis, Ind.

Irishman Downs Crooked Politics

To the Editor:

We read about the doings and strong arm methods of Mr. Jim Farley. To me he seems to be a disgrace to the Irish race and the Catholic faith. Of course those Irishmen who are holding jobs by his favor will think he is fine (or say so) but any decent minded person who loves fair play can have little respect for him.

How can the Irish expect to get sympathy for the Irish cause in Ireland when our Irish politicians in the United States have no limit to the crooked means they go to to further their own ends.

—A. E. Dunn.

Omaha, Neb.

Nebraska Plan Simplifies Government

To the Editor:

SOCIAL JUSTICE is truly a newspaper with a program. It is crusading behind the banner of 16 unassailable principles of social reconstruction. Especially is it solicitous in making news and information available on the issue of sound money, and rightly so; for without financial reform any boom will in the end be a boomerang.

I have awaited the comments of SOCIAL JUSTICE on the one house legislature of Nebraska.

The first part of principle 14 of social justice reads: "I believe in the simplification of government...." The one house legislature is as direct an adoption of this principle as the bureaucracy of the present administration is a frustration of it. **The Nebraska plan has proved itself to be a vast saving in expenditures, a great increase in efficiency, and an eradication of the rule of party politics.**

A state can be represented by one house as completely as by two although the federal government cannot. Nebraska finds it easier to pick 43 good men than the 133 seated in the two houses. This is especially true because they are elected on a non-partisan ballot. There are no party nominations—the two candidates with the most votes in the primaries run for the office in the election.

During the last election of the old form there were 114 Democrats, in the two houses, and 19 Republicans. In the present house there are 22 Democrats and 21 Republicans, and this in spite of the fact that Nebraska went overwhelmingly Democratic in the presidential election. Moreover, the house being more important and dignified than either of the houses was before, attracts better men.

The one house legislature has demonstrated more beneficial legislation and greater efficiency in the saving of time. There are no party caucuses, no majority and minority leaders to whip the legislators into a certain policy. There is no chance for a house to rush through a bill, odious because of political consequences, and pass the buck to the other house. It is impossible for powerful lobbies to bear pressure for the passage of a bill after its defeat in one house.

This experiment should cause the crusader of social justice to repeat with greater fervor, "I believe in the simplification of government."

—Cornelius Veith, C.M.

Perryville, Mo.

Editor's Note: A picture of Nebraska's new one house legislature with approving comment appeared in SOCIAL JUSTICE on February 1.

Russians Boast Of Successful Plans

To the Editor:

A camp meeting being held at a town just north of us was startled recently when two Russians testified that this same New Deal followed by such as the John Lewis program, was the same thing they had in Russia just before the Revolution which starved the people into surrender.

A Russian has made a sworn statement to our crusade leader, that the plight we are in today is the result of deliberate planning of several years' duration, on the part of a group who plan to rule the world through an international dictatorship. The men who are leading Roosevelt will lead our nation into the worst panic America ever knew. He says make no mistake, they mean business.

They boast that the New Deal is a planned scheme to overthrow our nation and the Communists are boasting that they will take over our nation through Roosevelt and his Brain Trusters **without firing a gun.**

—H. M. V.

Dinuba, Calif.

People "Can't Leave C. I. O."

To the Editor:

Please be more careful in your criticism of the C. I. O., and how you attack them. When Father Coughlin spoke about the sawed-off runt in Monroe, it turned a lot of people against you.

You can never turn the people against their leaders. The C. I. O. put a stop to laying on men with little excuses, and hiring friends of the bosses or young boys more cheaply. Now they must pay all equally, and the production is slowed up. Also the men can speak up, where before if you did, there were plenty of men outside to replace you.

They almost killed my brother with their rush of work, now he has it as easy as plenty of the others.

It is no use condemning the C. I. O. They say "We are C. I. O. men and we will win!" A lot of them believe in God and are with Father Coughlin. But people are very selfish. If you tell them right from wrong, but never condemn Murphy or Roosevelt or the C. I. O., they will follow you.

They say that they will never have their faith taken from them as Father Coughlin fears they will. Some say that he is 10 years ahead of time, but people cannot figure out why you believe in unions and condemn the C. I. O. Really, the C. I. O. has done too much good to the working man in the shop. Even people that are with you say, "the C. I. O. has done us too much good. We must stick." There are people who would much rather listen to Father Coughlin than to the ball game, but they think Murphy and Roosevelt are swell.

They are good people but they don't reason.

—Mrs. T. K.

Flint, Mich.

Professor Prefers Position to Politics

To the Editor:

Because I am known here and in the surrounding localities for my adherence to the principles of social justice, and because I prefer being a teacher to being a politician, it is difficult for me to find a teaching position.

At present I am working on a W. P. A. library project. I am one of those who did not vote for Roosevelt because he "gave me something to eat." I voted for Lemke because I felt that he was the only candidate who offered a program which if put into effect, would restore prosperity. I still think so.

If we really want to secure social justice for ourselves and our posterity, if we really want to impress upon the youth of the land the facts concerning dishonest money, if we wish to conquer ignorance, we must do it through our schools.

I am an experienced high school teacher who believes in and practices social justice. Six years ago I was married and for five years I have been out of private employment. I still have hopes that somewhere in all this great United States there might be someone who can use my services as a teacher—but only as a teacher, I am not a politician.

—E. E. W.

Cashton, Wis.

Social Justice Readers Answer Chain Store Advocates

To the Editor:

In response to a recent letter in defense of the chain stores in SOCIAL JUSTICE, I wish to make the following remarks to Edward McCarthy, the writer.

To begin with, may I ask Mr. McCarthy if he will trace back in his early family life momentarily and there discover if it was not the small grocer who helped out the family in time of difficulty, and if it was not he who fed them in time of need. However, Mr. McCarthy, though you spent all your money for food at the chain store, I dare say that if you were forced by such circumstances as those of your parents, the chain store which you have praised would not give even a loaf of bread or a quart of milk, let alone extend credit to you over any space of time.

All that interests the chain store is the amount of money that you spend with them. The small merchant on the other hand is a friend to his customers and not merely interested in their money. May I substantiate the foregoing by suggesting that Mr. McCarthy go to any humble independent merchant—tell him that your children are hungry and ask him for a loaf of bread and some milk; I guarantee that you will find a generous response. Then try the same experiment with your chain store and the manager's answer will be that he is only a clerk and has no authority to give to the poor.

In the city of Cleveland, 74 per cent of the trade goes into the hands of three chain stores.

Records will show you that one of the largest chain stores in the country has 18 subsidiary companies and owns eight of the largest salmon canneries in the entire industry. In other words they have practically cornered the industry. If you know your groceries, Mr. McCarthy, you know that four years ago No. 1 can of Sockeye Salmon was wholesaling for $1.80 a dozen and retailing at 19 cents a can. This salmon just last week was advertised by a chain store at two cans for 45 cents—regular price 25 cents a can. They therefore, by virtue of their monopoly make well over 20 per cent on such a transaction and God knows there are still as many fish in the sea today as there were four years ago.

I have been in the grocery business for 25 years and never paid a boy who worked after school less than $5 a week. When any of my clerks were away sick, their salary, which was a living annual wage, went on just the same. I can say the same for all independent grocers that I know.

Some years back the farmer came to town with his produce and asked his price for his goods, but today in this chain store age, he must beg a reasonable price for his market.

—Alex J. Quinn.

Cleveland, Ohio.

Reduce Working Man's Income

To the Editor:

In reply to your article in the paper regarding the chain stores, my experience is that chain stores reduce the income of the laboring man. In the first place they take money out of our communities and leave none on deposit to be loaned to the home owner or the man who wishes to build him a home.

Chain store employes do not receive enough money to build their homes and this therefore retards the growth of a town. It was said if you took out the chain stores several thousands of people would be unemployed. Don't you think that the independent stores could employ more people, or would some of them perhaps, go into business for themselves?

My experience in Illinois is that it is very hard to put over a state law taxing the chain stores. Several representatives have said that there is too much money against it and therefore it is impossible to pass a law. I wrote a letter to the governor regarding the passing of a law taxing the chain stores, and he said that it is up to the legislators. That shows how the politics of this state works, and other states are much the same.

—C. F. Bachman.

Decatur, Ill.

Take Profits Away From Community

To the Editor:

I was surprised to see a reader of SOCIAL JUSTICE either through ignorance or otherwise defending an unfair chain store system.

A bill was passed by Congress in June 1936, the Robinson-Patman Fair Trade Practice Act. This was passed only after months of careful investigation into the methods used by those types of big business.

Monopoly will have no competition. When there is no competition people will have to pay the prices monopoly asks. A president of a large chain system may idle in Europe yet drain every cent of profit from every city, town or village in the United States where he has a store.

The small business man will live and spend the profit in his own community.

Another depression menace has sprung up particularly in the east. A large "super market" will open under an independent name, but owned most often by a large chain. Large tricky bait-advertisements are used with many items called loss-leaders sold below cost to lure customers from other stores.

To make up for this loss, wherever possible, the chains brow-beat their sources of supply—the manufacturer. The manufacturer in order to make a little profit will lower the quality. So an inferior standard of living is established in a sneaky way. Another source of revenue is the overworking and underpaying of from 200 to 500 employes who get the $5 to $12 referred to by Mr. McCarthy.

Thanks to the 1936 U. S. Census of Business which shows us that from the years 1933 to 1935, the chain food store business increase was 12 per cent, while for the same period the independent store increase was 26 per cent. This depression has taught people to get real value for their money.

—W. Mack.

Boston, Mass.

Tourist Finds Prosperous Ireland

To the Editor:

Should space permit, kindly allow me to back up Joseph A. Taffe in his defense of the Irish (De Valera) administration against the attack in a previous issue by Margaret McShane.

Only last summer I had the pleasure of visiting Ireland after a seven-year absence, and I was delighted with the wonderful improvement in a few short years. The hue and cry against the present Irish government is raised and supported by a small minority who were prosperous when Ireland as a nation was in the grip of tyrannical oppression.

In general, I find the country's resources, agricultural, industrial, mineral, etc., (all held down by England for centuries) being slowly but surely developed. The newly-installed power-dams on the Shannon send power and light all over the country. More than 700 recently-started factories were doing promising business. I found practically all of the sugar consumed in the country was manufactured there from home-grown beets. I found large grazing ranches being broken up and divided into economic holdings for the benefit of the poorer classes in the over-crowded and impoverished areas along the western seaboard. I found old shanties replaced by lovely comfortable cottages, and whole streets of dilapidated buildings replaced by rows of neat cottages.

In fact, **I found put into active practice the principle of social justice which says: "The poor shall have first consideration, for as it is witnessed, the rich can take care of themselves."**

—Austin O'Malley.

Chicago, Ill.

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$3,500.00 Is Waiting For You If You Enter These Two Weeks And Win Out

QUESTIONS FOR THIS WEEK

Picture No. 15 **Picture No. 16**

WHAT PREVENTS PAYMENT OF WAR DEBTS TO THE UNITED STATES?
WHAT IS THE PRINCIPAL REQUISITE TO THE CONTINUANCE OF AMERICAN LIBERTY?

Make Your Selection by Number from Following Lists:

1. Poverty of debtor nations.
2. Jealousy of debtor nations.
3. International bankers.
4. The New Deal.
5. Fear of the United States becoming imperialistic.
6. Communism.

1. A powerful standing army.
2. Financial sovereignty of the American people.
3. A powerful navy.
4. Increased foreign trade.
5. A powerful air force.
6. The Supreme Court as at present constituted.

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN
NOT NECESSARY TO RETURN PICTURE KA
Make your selection by number from suggestions under each picture.
Write clearly the number in the little square.

No. 15 For Question No. 15 I Select Answer No..... ☐ No. 16 For Question No. 16 I Select Answer No..... ☐

MY NAME IS.....

MY ADDRESS IS.....

TOWN OR CITY.....STATE.....

EXTRA COUPON FOR FRIEND OR RELATION

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN
NOT NECESSARY TO RETURN PICTURE KA
Make your selection by number from suggestions under each picture.
Write clearly the number in the little square.

No. 15 For Question No. 15 I Select Answer No..... ☐ No. 16 For Question No. 16 I Select Answer No..... ☐

MY NAME IS.....

MY ADDRESS IS.....

TOWN OR CITY.....STATE.....

How To Become A Contestant

1. Study the questions. Mark your selection of the best or most appropriate answers on the Coupon below the picture and send in EACH WEEK with 10 cents in coin (not stamps).
2. If you wish, you may pay up in full, $2.50 NOW, and then send in your weekly Coupons without further remittance.
3. Each question will pertain to a live AMERICAN ISSUE discussed in the columns of SOCIAL JUSTICE. One of the list of suggested answers underneath each picture will be the best or most appropriate FROM THE VIEWPOINT OF FATHER COUGHLIN AND THIS WEEKLY ON NATIONAL SOCIAL AND ECONOMIC ISSUES. It is your job, as a contestant, to try to select that particular answer.
4. Each contestant who completes a fully qualified set of 50 answers will receive, without further cost, a handsome 105-page souvenir book descriptive of the Shrine of the Little Flower at Royal Oak, with 63 beautiful illustrations.
5. In order to qualify for the prizes, a contestant is required to remit $2.50 for each complete set of solutions submitted, and also to obtain one NEW yearly subscriber to SOCIAL JUSTICE at the annual subscription price of $2.00 per year. This subscription may be sent in at any time during the 25 weeks duration of the Contest.

READ RULES CAREFULLY AND ENTER TODAY!

ADDRESS—

"CONTEST EDITOR"

SOCIAL JUSTICE

ROYAL OAK, MICH.

GRAND PRIZE $2,750.00

Second Prize $1,250.00

THIRD PRIZE $500.00

FOURTH PRIZE $200.00

FIFTH PRIZE $75.00

10 Prizes of $50.00 Each.
20 Prizes of $25.00 Each.
100 Prizes of $10.00 Each.
200 Prizes of $ 5.00 Each.

$750.00 SPECIAL AWARD FOR PROMPTNESS!

GET IN AND WIN

Rules of Contest

1. Open to all readers of SOCIAL JUSTICE except employes of Reverend Father Coughlin, members of the former National Board of the National Union for Social Justice, or members of their families.
2. Two pictures each week for 25 consecutive weeks, beginning Monday, June 21, 1937. Each picture contains a question dealing with a live economic or social problem affecting the United States during the current year.
3. A Grand Prize of $2,750.00 will be awarded to the reader of SOCIAL JUSTICE returning the best or most appropriate answers to the 50 questions, such answers to be based upon the viewpoint of Father Coughlin as expressed in the columns of SOCIAL JUSTICE or in his public utterances. The reader or readers submitting the next nearest correct answers and otherwise complying with the rules shall be eligible for the additional prizes in the order of their correctness.
4. In order to qualify as a prize-winner, the contestant is required to send in 10 cents in coin (not stamps) with each weekly Coupon; and to obtain at some time during the Contest one NEW yearly subscriber to SOCIAL JUSTICE at $2.00 per year. The remittance of 10 cents in coin and the effort of obtaining the subscription is in payment for a handsomely illustrated 105-page book descriptive of the Shrine of the Little Flower. Purchase of this book, which will be delivered after the close is a condition for entering the contest.
5. We cannot take into account solutions without signed names or addresses. Neither can claims to their ownership be recognized. We cannot be responsible for Coupons arriving unduly late. By entering the Contest the contestant agrees to accept as final the decision of the judges as to procedure and final outcome.
6. In event of ties additional pictures and questions will be submitted. In event of final ties, after two such submissions, duplicate prizes will be awarded.
7. Do NOT decorate Coupons. Neatness will NOT count.
8. Any inquiry the reply to which could not affect outcome of Contest will be acknowledged.
9. A contestant may send in any number of answers, and each set will be judged as a unit, but no individual may win more than one prize. A contestant sending in more than one fully paid set, and one yearly subscription for each set submitted, will be entitled to one book for each set.

Time is closing in.

Only TWO WEEKS until your chance to win $3,500.00 in our "KNOW AMERICA" Contest will have passed away forever.

Do you realize that $3,500.00 is a "lot of money?" Especially for merely setting down better than any other person the answers to 50 simple questions concerning your own country!

You can win this fortune by being PROMPT. You see, a Promptness Prize of $750.00 will be tacked onto the check of the Grand Prize winner ($2,750.00) if that person enters the Contest during the first 10 weeks of its life.

But that's not all. There is a Second Prize of $1,250.00; a Third Prize of $500.00—and hundreds of other cash awards to go to those who show they know the United States and what's going on within its borders.

ONLY TWO MORE WEEKS!

The thing to do is ENTER NOW. Don't wait until the eleventh hour. Use the Past Pictures Coupon on this page. It will bring to you all picture-questions which have appeared in the great competition thus far.

Unless you enter during the first 10 weeks—you CANNOT WIN the Grand Total of $3,500.00.

But you CAN win—if you DO enter.

$750.00 Extra FOR PROMPTNESS

There will be a Special Prize of $750.00 for the winner of the Grand Prize who enters the "KNOW AMERICA" Contest during the first ten weeks of its life. That means that if you enter NOW and win the Grand Prize of $2,750.00, YOU WILL RECEIVE OUR CHECK FOR $3,500.00 BECAUSE YOU WERE PROMPT.

Remember — every person who enters this great Contest and perseveres to the end will receive, free of additional cost, a beautifully printed 105-page book descriptive of the Shrine of the Little Flower, embodying 63 handsome illustrations.

MAKE THIS PROMPTNESS PRIZE YOURS BY ENTERING TODAY! IF YOU DO — YOU WILL WIN $3,500.00 IN CASH!

335 Readers of Social Justice Will Win 335 Cash Prizes

Fill in This Coupon and Mail Today!

CONTEST EDITOR
SOCIAL JUSTICE
ROYAL OAK, MICH.

I wish to enter the "KNOW AMERICA" Contest at once and be on an even footing with all other contestants.

Please send me free of charge, all Past Pictures which have appeared up to date.

Name.....

Address.....

City.....State.....

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Searchlight on the Money Changers

Where the Government Gets the Money

WASHINGTON, D. C. — An outstanding research has simplified the Treasury's 1936-37 revenue statement in terms of where the federal government dollar comes from. It is a startling exposure:

SOURCE	PERCENTAGE
Income tax, individual and corporation	25.2
Alcoholic beverages	6.9
Tobacco taxes	6.3
Estate and gift taxes	4.8
Capital stock taxes	1.1
"Nuisance" taxes	5.9
Social Security taxes	2.9
Other internal revenue	0.5
Net proceeds from agencies	5.5
Tariff collections	5.7
Miscellaneous	2.4
Gross deficit (borrowed)	32.8
TOTAL	$1.00

This tax schedule shows that all the taxes the United States government receives amounts to only 67.2 per cent of every dollar. In other words, **the government must borrow 32.8 per cent out of every dollar it uses.** Now the irony of this is that it gives the Federal Reserve (a private corporation) the special privilege of issuing and regulating money of the nation and then turns around and borrows that money from these same bankers at interest. Is it any wonder that the interest charge on the federal debt amounts to almost a billion a year?

Of course, the paid puppets of the bankers claim that Congress now has "the power to coin and regulate money" in view of the fact that the United States mints pennies, nickles, dimes, quarters, halfs, and dollars. Yet their own representatives admitted before a Congressional committee that this type of money represents only about 5 per cent of all monetary transactions throughout the nation and is only a convenience.

Credit money, or bankers' money, the kind that is used by the Federal Reserve System, amounts to 95 per cent of all the money used in this nation. They can control this by accepting the collateral of only the big fellows and refusing to honor the "paper" of the little fellow.

Is it any wonder that the small independent has been steadily disappearing while the monopoly and the giant combine grows richer year by year?

Is it any wonder that there is a shortage of money?

Is it any wonder that the per capita money in circulation is $49.99 per capita?

The total debt in this country per capita is $404. How can any man beat such a game? We are only asking that this iniquitious situation be liquidated. We are only asking for honest money. Not money predicated by debts.

Remember, again referring to the above tax table, that you not only pay the taxes indirectly on tobacco, social security and other "nuisance" taxes, but you pay tribute to the bankers on all that the government borrows from them.

If the government, through a Congressional Board of Money, similar to the Supreme Court, issued its own money for productive purposes, taxes would be lower, debt would be less, there need be no "one-third ill-clad, ill-housed, and ill-fed." But these conditions will continue indefinitely as long as we refuse to go the root of the trouble and lay the axe manfully at that root. All other efforts are empty gestures.

Binderup Urges That U.S. Banks Back Deposits With 100% Reserves

Survey Shows a Favorable Trend

Many Businessmen Praise "100% Reserve" Policy For Bank Deposits

Following are the expressions of a few bankers and businessmen taken from the survey conducted by Representative Binderup:

Mr. F. R. von Windegger, president of the Plaza Bank of St. Louis, Mo., and Mr. W. L. Gregory, vice president:

"Although we were at first reluctant to admit that banks, good and bad, had definitely failed to control their credit system, on deliberation we have finally agreed on practically every major point in your system. Specifically we realize that checkbook money is a part of the circulating medium and as such should be carefully controlled."

From the president of a small city bank:

"I am not accustomed to pussyfooting, and would have no objection whatever to your quoting my letter. However, I was elected president of my State Bankers' Association and it might be embarrassing to quote me, as some good souls might interpret the quotation as an official expression from my association."

In a former letter he had said:

"I am disposed to agree with you to the extent that 100 per cent reserves would be a practical solution, if government bonds, including municipals, would be considered as part of such reserve."

Robert H. Hemphill, formerly credit manager of the Federal Reserve Bank of Atlanta:

"We are completely dependent on the commercial banks. Someone has to borrow every dollar we have in circulation, cash or credit. If the banks create ample synthetic money we are prosperous; if not, we starve. We are absolutely without a permanent monetary system.

"If all the 14,500 banks of the nation begin calling their loans simultaneously, the aggregate destruction of this synthetic money is enormous. Almost immediately, practically no one seems to have the normal amount of money to spend. The business of the nation decreases so rapidly that merchants and manufacturers are suddenly compelled to decrease their forces and lower the wages of the remainder. This is a "depression."

John R. Stewart, vice president, First Wisconsin National Bank, Milwaukee:

"I am confident that, had such a simplified system of money control in its relation to banking been adopted at the beginning of our banking experience in this country, it would at least have taken away some of the mystery about money as created by our present banking system."

H. W. Mayer, assistant cashier, First National Bank, Hegins, Pa.:

"In general, I consider your proposal an excellent one, especially for the commercial bank. Then too, it ill behooves bankers to leave to others the steps leading to reforms in our banking system; bankers themselves should prepare and suggest all reform."

Thomas J. Hollingshead, assistant treasurer, The New Jersey Title Guarantee and Trust Company, Jersey City:

"Try as I might, I cannot knock any holes in it except from the angle of profit. Although service charges do mean a source of income, interest received is still the dominant factor in most gross income accounts."

Alfred Owen Crozier, Crozier Ideal Homes System, New York City:

"Your suggested plan for a 100 per cent cash reserve and the means for attaining same is clever and practicable and patriotic—**therefore it is likely to be opposed by our Wall Street friends, who usually have had their way in all matters of banking and money and credit legislation.**"

J. C. Shumberger, vice president and controller, The Morning Call, Allentown, Pa., formerly president Controller's Institute of America:

"I believe in your plan most thoroughly."

William C. McCreary, president, First National Brands, Incorporated, Chicago, Ill.:

"The more I think about your plan, the more convinced I become that its adoption will prove one of the happiest forward steps that this world has ever seen. In today's newspaper is a story about a dispossessed home owner who has murdered his evictor. Just one of a million tragedies that would not have occurred in an economic order functioning under your plan."

H. S. Gilbertson, director of personnel, Lehigh Navigation Coal Company, Lansford, Pa.:

"There is no doubt in my mind that most if not all the claims you make for the plan are valid. Its adoption would stop bank runs and tend strongly to prevent bank failures. It would go far toward stabilizing the general price level. This plan strikes at the root of commercial banking which, while often perverted, is one of the most dynamic influences in our modern economy."

The Real Story Behind The Chicago Bank Crash

In the July 26th issue of SOCIAL JUSTICE reference was made to a current series of articles in the Saturday Evening Post with the Finance Editor's observation that the "real story behind the Chicago bank crash" would not appear.

In an early edition SOCIAL JUSTICE will begin its own series of articles throwing the searchlight behind the scenes on the Chicago bank reorganization, and answering our own question: "Who were the smart boys who got the money?"

Through a delay in the mails, the weekly financial article of Robert H. Hemphill did not arrive in time for this edition. This indispensibly informative series, however, will be continued weekly in SOCIAL JUSTICE.

Why Pay Interest to Our Welching Debtors?

To the Editor:

Holders of wealth, citizens of countries that renegged on payment of just debts to the United States, can and have bought billions of dollars worth of interest-bearing United States government bonds and interest-bearing commercial bonds.

Such a condition was made possible principally by the international gold juggling, and **but a small percentage of the citizens of our own and other countries have benefitted at all from these transactions.**

In this situation our purported pride of country, our professed concern for our youth, and our supposed honor of flag seem to be lost. Possibly, where money is concerned, these higher thoughts do not fit. Has somebody been kidding us about this thing called "patriotism?" Is patriotism just a fairy tale for the gullible?

Good American blood has been spilled and lives lost, only that we be privileged to pay interest to others who do not pay their debts to us. It doesn't make sense.

With discussions over labor and the Supreme Court, we Americans are having our minds distracted from the deeper causes of our economic troubles. We have reached a point in our apathy and disregard for the future where we are willing to labor that we may pay usury to, and **help maintain a class of wealthy people in other countries who actually owe us money! We have permitted them to use their wealth to mortgage our future instead of to pay their just debts.** And that doesn't make sense either.

One's only logical conclusion must be that our legislative leaders and executives must be considered guilty, to say the least, of patriotic inconsistency. Amid much flag waving and prating of love of country they have mortgaged the future of the vast majority of our citizens to small groups in other lands.

If nothing is done our children will pay that which is an improperly and dishonestly incurred obligation against them. The unjust handicap we are placing on the children of the United States even as we hypocritically teach them of flag, country and honor, constitutes a major inconsistency that cries for attention—gold or no gold.

—John R. Kelly.

Everett, Mass.

Reserve Policy Would Do Away with "Fountain Pen" Bank Credit; Deposits Would Be Safe

By Staff Correspondent Of SOCIAL JUSTICE

WASHINGTON, D. C.—The "100 per cent reserve" policy, prominent monetary principle in the program for social justice, is winning the enthusiastic support of leading independent bankers all over the nation, according to Representative Charles G. Binderup of Nebraska, its chief proponent in Congress.

Mr. Binderup recently conducted a survey among bankers, business men and private individuals, which, he says, proves that there is an "overwhelming amount of support" for the policy among intelligent citizens.

Would Put Dollar Behind Deposit

Simply defined, the 100 per cent reserve system would abolish "fountain pen" bank credit by requiring every bank carrying checking accounts to receive a government loan of sufficient new paper money to provide a full reserve behind all demand deposits.

Once this 100 per cent reserve was established, banks would be required to maintain it without further financial help from the government. In a word, banks would have to keep $1 in lawful money in reserve for every dollar shown on their deposit ledgers.

Under this system, bank deposits would no longer be "promises to pay" but would be real physical money held by the bank in custody for the depositor.

Banks would be rid of all risks of "runs" by depositors because the chief reason for sudden withdrawals would have disappeared—fear that deposited money may not be available on demand.

Would Halt Evil Of Money Creation

But the biggest single argument in support of 100 per cent money is this: banks could no longer change the volume of the nation's currency by "check booking" new money into existence.

The government alone could increase or decrease the total volume of circulating medium according as the ebb or flow of business demanded it.

Under the present system, when a commercial banker wants to extend a loan he first "creates" the amount of money to be loaned by "writing it up" in his books as a deposit. This "check book" money, born in the inflationary inkpots of bankers, has become our chief circulating medium.

The result is a credit structure so topheavy that the nation's industry and employment are met periodically with crises.

Prof. Fisher An Exponent

Among those closely associated with Representative Binderup in the crusade to educate Congress to the virtues of 100 per cent money is the well-known economist, Prof. Irving Fisher of Yale University.

He says this plan would "be of advantage to banks in general and in particular to country banks in dread of the competition of branch banks."

"Once the two widely different functions, creating money and lending it—one plainly governmental and the other private—are completely separated, banking can not only remain as free as it ever has been but can become far freer and be safely left to the varying local desires and conditions."

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No Recovery Without Financial Reform

SOCIAL JUSTICE

Father Coughlin's Weekly Review

5c Per Copy

Volume III No. 32 | Royal Oak, Michigan | August 9, 1937

Philippine Post Ace-in-Hole For New Deal's Emergencies

Behind the Washington News Front

From Capital Bureau of SOCIAL JUSTICE

WASHINGTON, D. C.—While describing this session of Congress as "the dullest since I have been a member," Representative William Lemke of North Dakota sees a redeeming feature is that "bureaucracy and ignorance in Washington have about run their course."

Mr. Lemke deplores the "inactivity" of both houses, saying:

"No attempt has been made at this session to pass an intelligent old age pension law.

"No attempt has been made to protect farm homes from foreclosure by providing an intelligent system of refinancing.

"No attempt has been made to save the homes of town and city people from foreclosure. Those who are on the dole and relief are receiving short jolts, and some are being kicked off."

But the Congressman adds this note of optimism as he looks forward to the next session:

"I am confident that Congress will then enact, in spite of the executive, an intelligent old age pension law and will provide for a living annual wage for the laborer. We will stop the greedy, grasping hand of the Home Owners' Loan Corporation and the Farm Credit Administration in foreclosure proceedings on thousands of urban and rural homes."

Atheism First Step to Chaos

More than 1,000 members of the Third Division, A. E. F., heard Father Frank M. O'Reilly, their "fighting chaplain" during war days, warn against the spread of Communism during a recent three-day convention here.

Father O'Reilly declared:

"Sixty-five million people in this country acknowledge no church affiliation. This is the first step toward atheism, and atheism is the first step toward Communism.

"Communism will, if it can, undermine our national government. Let us urge this country to turn away from Communism and back to religion."

The priest also hit out indirectly at current political developments when he said:

"Our Constitution must remain what it always has been—our charter of human rights. We must not let politicians change it into an instrument to allow the few to impose their opinions on the many."

Critics See Peril of Both Fascism and Communism

By Staff Correspondent

WASHINGTON, D. C.—Two nationally - known figures chose the same day recently to attack administration policies—one, from the North, shouting "Fascism," and the other, from the South, charging "Communism."

Amos R. E. Pinchot, New York attorney and brother of former Governor Gifford Pinchot of Pennsylvania, noted liberal, declared that the now defunct court packing bill, the government reorganization bill and the wage-hour bill, if enacted, would "throw the country into Fascism overnight."

"They would transform our economic life into a bureaucratic collectivism," Pinchot stated in a letter to the White House. "In short, they would wholly change the character of government and industry, and put both under the personal domination of one man, namely yourself."

Representative John E. Rankin, a loyal and influential administration leader who was driven to rebellion by the President's labor and court policies, charged that the National Labor Relations Board was controlled by red influences and asked that its members be "dismissed or curtailed."

Rankin urged a revision of the Wagner Act, saying:

"I shall oppose appropriating another dollar for its expenses until the representatives of the Labor Relations Board cease their Communistic activities by which they are stirring up strife in every section of the country, and especially in the southern states."

Political Control Of Banks Fear Of Tory Press

WASHINGTON, D. C.—The Washington Post, commenting editorially on proposed government ownership of the Federal Reserve banks, recently declared:

"The chief objective in advocating a shift to government ownership, indeed, is to establish a greater measure of political control over the (Federal Reserve) system than is possible under the present form of ownership."

That, coming from a newspaper owned by Eugene Meyer, former chairman of the Federal Reserve Board, is not surprising. It is the type of propaganda to which tory publications and many misinformed individuals have been giving much lip service of late.

A congressional money board, approved by Congress, to administer the monetary affairs of the government would not be influenced by politics. Such a board, advocated by Father Coughlin, would act as a supreme monetary court and its members would serve for a stipulated number of years. The remuneration members would receive would be sufficient to quarantine them from the grafting lobbyists of international bankers.

But let us grant that the members were the sort of politicians Mr. Eugene Meyer and others say they would be. They would still be subject to impeachment by Congress if they defiled their office. And wouldn't it be better to have politicians conducting our money affairs **in the open** than money changers conducting them **in the dark**, as is the case now?

Wheeler States Terms of Court Bill Compromise

WASHINGTON, D. C.—Senator Burton K. Wheeler of Montana, chief foe of the President's Supreme Court program, ought to be satisfied with the new bill proposing certain reforms in the inferior courts.

He dictated its provisions!

Just when the situation looked darkest for the administration, Vice President Garner, fresh back in town as a peacemaker, went to Wheeler and said, in effect:

"Burt, nobody's getting anywhere in this mess. What are your terms?"

Whereupon, the Montanan declared he would support a new court bill providing: (1) There was no mention of the Supreme Court in it; (2) Attorney General Cummings wouldn't be given the authority of a proctor over inferior courts; (3) No "roving" justices would be permitted to inject New Deal philosophy into the opinions of inferior courts.

Wheeler also demanded **that there be "absolutely no reprisals" against any member of Congress who opposed the President's original court packing plan.**

Garner agreed and both men shook hands.

Ex-Gov. Mc Nutt Picked As Chastiser of Van Nuys

By Staff Correspondent Of SOCIAL JUSTICE

WASHINGTON, D. C.—The office as high commissioner of the Philippine Islands is a political pigeonhole from which appointees may be recalled whenever the New Deal administration needs them for a job of work here at home.

Frank Murphy was yanked from the post last year when the President needed him for yeoman duty in Michigan as the Democratic party's nominee for governor.

Now they are saying that Paul V. McNutt, the new high commissioner, will return to succeed Senator Frederick Van Nuys as the administration's choice for Senator in the 1938 election in Indiana.

Van Nuys was prominent in the ranks of those who opposed the President's court packing plan. He committed the unforgiveable sin of voting for democracy instead of dictatorship.

McNutt Hope To Beat Van Nuys

McNutt, while governor of Indiana, built a strong political machine which still dominates the Democratic party in the state. He is the only one who is conceded a chance to beat Van Nuys since the latter, if ousted as Democratic candidate, is expected to run as an independent with the endorsement of the Republicans.

If, despite their pious pledge of "no reprisals" against anti-court pack Senators, the President and Jim Farley decide to knife Van Nuys in this way, War Secretary Woodring will probably succeed McNutt as high commissioner and Louis Johnson, assistant secretary of war, will be elevated to Woodring's job.

While the President's head hunters are interested primarily in "getting" Van Nuys, they are hoping this arrangement will also fetch the scalp of Senator Rush Holt of West Virginia.

Rush Holt Is Prize Target

Johnson, a West Virginian and a lackey of John L. Lewis, is being groomed to succeed Holt as the New Deal candidate for the Senate in the election of 1940. His builder-uppers feel there is no better way to enhance his ballot appeal than to let him serve a short term in the cabinet.

The administration considers Holt such a powerful enemy that it is already laying plans to defeat him though his present term doesn't expire for three years. As this is written, Jim Farley is preparing a speaking tour of West Virginia against the young Senator.

Next!

Paul V. McNutt, new high commissioner of the Philippines, is to be recalled by order of the President and directed to run against Senator Van Nuys of Indiana, according to Washington information this week. Van Nuys, it is pointed out, committed the unpardonable sin of voting against the President's court pack, so he must go. The Philippine Island post is a handy ace-in-the-hole for New Deal political emergencies, Murphy of Michigan having been similarly obtained from there in the last campaign.

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